

**Tempe City Council
Formal Council Meeting
Harry E. Mitchell Government Center
Tempe City Hall - City Council Chambers
31 East Fifth Street, Tempe, Arizona
Thursday, May 05, 2011
7:30 PM**

Members of the City Council may attend either in person or by telephone conference call.

1. INVOCATION - Councilmember Woods

2. PLEDGE OF ALLEGIANCE

3. MINUTES - Councilmember Shekerjian

A. Approval of Council Meeting Minutes

1. Neighborhood Quality of Life & Revitalization Committee - March 22, 2011

B. Acceptance of Board & Commission Meeting Minutes

1. Double Butte Cemetery Advisory Committee - February 16, 2011
2. Building Code Advisory Board of Appeals - April 4, 2011
3. Mayor's Youth Advisory Commission - April 5, 2011
4. Development Review Commission - April 12, 2011

4. REPORTS AND ANNOUNCEMENTS

A. Mayor's Announcements

1. Law Day
2. GradNite 2011

B. Manager's Announcements

5. AGENDA

All items listed on the agenda will be considered as a group and will be enacted with one motion by the City Council unless an item is removed for separate consideration. Members of the public may remove public hearing items for separate consideration. Public hearing items are designated by an asterisk (*). Councilmembers may remove any item for separate consideration.

Agenda items scheduled for Introduction/First Public Hearing will be heard, but will not be voted upon at this meeting. Items scheduled for Second Public Hearing/Final Adoption will be voted upon tonight.

'q-j' indicates quasi-judicial items. The City Council sits as a quasi-judicial body when hearing variances. In this situation, the City Council must conduct itself as a court, not as a legislative body. Pre-meeting contact with the City Council on quasi-judicial matters is prohibited. Any materials or conversations concerning the item shall only be presented to the City Council at the scheduled public hearing.

Legal Advice: If necessary, the City Council may vote to adjourn to executive session for the purpose of obtaining legal advice from the Council's attorney on any matter listed on the agenda pursuant to A.R.S §38-431.03(A)(3).

A. Miscellaneous Items

- *A1. Hold a public hearing to recommend the approval of an acquisition of control of a Series 10 beer and wine store liquor license for Paldo Market Inc., dba Paldo Market, 9 East Southern Avenue, #102.

COMMENTS Richard Todd Bradshaw is the Agent for this application.
DOCUMENT NAME 20110505fsap 01 119912 – LIQ LIC (0210-02)

- A2. Set a Public Hearing date of June 2, 2011 for the Downtown Tempe Enhanced Services District assessments for fiscal year 2011/2012.

COMMENTS Each year the City Council authorizes an assessment on downtown Tempe property owners. The Assessment partially funds the DTC operation for the upcoming fiscal year. The attached notice announces the public hearing at which the assessments will be reviewed and acted on.
DOCUMENT NAME 20110505cdcm01 DOWNTOWN TEMPE ENHANCED SERVICES DISTRICT (0805-03)

B. Award of Bids/Contracts

- B1. Request approval of a one-year contract renewal with PMT Ambulance for emergency medical transportation services to support the Fire Department.

COMMENTS There is no cost to the City for this contract.
DOCUMENT NAME 20110505fslg02 PURCHASES (1004-01)

- B2. Request approval of a one-year contract renewal with All City Towing, Inc. and Apache Sands Service Center, Inc. for vehicle towing services for the Police Department and Public Works Department.

COMMENTS Total combined cost to the City for fleet tows shall not exceed \$30,000 during the one year renewal period. Charges for Police initiated tows are the responsibility of the vehicle owner.
DOCUMENT NAME 20110505fsmg04 PURCHASES (1004-01)

- B3. Request approval to award contracts to GG&G, Inc., and Kiesler Police Supply, Inc., for the purchase of rifle optical sights, suppressors, and gun cases for the Police Department.

COMMENTS Total amount of the GG&G contract is \$62,414.13; Total amount of the Kiesler Police Supply contract is \$4,854.99. The combined contract value is \$67,269.12.

DOCUMENT NAME 20110505fsmg03 PURCHASES (1004-01)

- B4. Request approval to award a five-year contract with five, one-year renewal options to Wheel Fun Rentals to manage and operate park concession operations at Kiwanis Park.

COMMENTS There is no cost to the City for this contract.

DOCUMENT NAME 20110505fslg01 PURCHASES (1004-01)

- B5. Request approval to award a one-year contract with four, one-year renewal options to US Lighting Technology for the purchase of energy efficient cobra head induction lighting fixtures to be installed in residential neighborhoods by the Public Works Department.

COMMENTS Total value of this contract will not exceed \$350,000 during the initial one-year contract period.

DOCUMENT NAME 20110505fsta05 PURCHASES (1004-01)

C. Ordinances and Items for Introduction/First Hearing - These items will have two public hearings before final Council action - None

D. Ordinances and Items for Second Hearing/Final Adoption - None

E. Resolutions

- E1. Request approval of a resolution authorizing the execution and delivery of certain agreements; approving an official statement; approving the issuance and sale of Excise Tax Revenue Obligations, Series 2011, in one or two series; not to exceed \$49,300,000; authorizing the taking of all other actions necessary for the immediate consummation of the transactions contemplated.

COMMENTS The issuance of the not to exceed \$49,300,000 in Excise Tax Revenue Obligations, Series 2011, is in accordance with the capital improvements program budget as adopted by the City Council. The bonds provide financing for various water/wastewater capital projects (including the Johnny G. Martinez Water Treatment, South Tempe Water Treatment Plant and 91st Ave. Wastewater Treatment plants) and energy retrofit projects.

DOCUMENT NAME (20110505fsjh01) BOND SERVICE ADMINISTRATION (0203-01) Resolution No. 2011.30

- E2. Request approval of a resolution to approve the Annual Action Plan for Community Development Block Grant (CDBG) and Home Programs for Fiscal Year 2011-2012.

COMMENTS	N/A
DOCUMENT NAME	20110505cdch01COMMUNITY DEVELOPMENT BLOCK GRANT (0207-33) RESOLUTION NO. 2011.31

6. CURRENT EVENTS/COUNCIL ANNOUNCEMENTS/FUTURE AGENDA ITEMS

7. PUBLIC APPEARANCES

According to the Arizona Open Meeting Law, the City Council may only discuss matters listed on this agenda. Matters discussed by the public during public appearances cannot be discussed by the City Council unless they are specifically listed on this agenda. There is a five-minute time limit per speaker. Speaker's visual aids or recorded tapes are not allowed.

Members of the public shall refrain from making personal, impertinent or slanderous remarks and from becoming boisterous while addressing the City Council or while attending the meeting. Unauthorized remarks from the audience, clapping, stomping of feet, yelling or any similar demonstrations are also prohibited. Violations of these rules may result in removal from the City Council meeting.

A. Scheduled

1. Citizens concerns regarding policing

B. Unscheduled

The City of Tempe endeavors to make all public meetings accessible to persons with disabilities. With 72 hours advance notice, special assistance can also be provided for sight and/or hearing impaired persons at public meetings. Please call (480) 350-2905 (voice) or (480) 350-2750 (TDD) to request an accommodation to participate in the City Council meeting.

Agendas are also available at www.tempe.gov/clerk
Watch this meeting live on Cox cable channel 11 or www.tempe.gov/tempe11.
Video replay of this meeting is available the next day at www.tempe.gov/tempe11.



Minutes Neighborhood Quality of Life and Revitalization Council Committee March 22, 2011

Minutes of the meeting of the Neighborhood Quality of Life and Revitalization Council Committee held on Tuesday, March 22, 2011, at 3:00 p.m., in the 3rd Floor Conference Room, Tempe City Hall, 31 E. 5th Street, Tempe, Arizona.

Committee Members Present:

Vice Mayor Joel Navarro, Chair

City Staff Present:

Brigitta Kuiper, City Clerk

Travis Dray, Deputy Community Services Dir. – Recreation

Shauna Warner, Neighborhood Program Director

Lisa Collins, Deputy Community Development Dir. - Planning

Bob Pohlit, Senior Recreation Coordinator

Dave Humble, Police Commander

John Osgood, Deputy Public Works Director – Field Operations

Amanda Nelson, Community Outreach Marketing Supervisor

Isaac Chavira, Transportation Maintenance Manager

Shelley Hearn, Community Relations Administrator

Amber Wakeman, Assistant to the City Council

Ric Garza, Housing

Jeff Tamulevich, Code Enforcement Administrator

Robert Hubbard, Deputy City Attorney

Theresa James, Homeless Coordinator

Kathy Berzins, Community Services Director

Grace Kelly, Energy & Grants Project Manager

David Park, Assistant City Attorney

Guests Present:

Adam Jones, Downtown Tempe Community, Inc., (DTC)

John Chester, Tempe Leadership

Kurt Keernel, Global Green

Keith Stone, Global Green Lighting

Vice Mayor Navarro called the meeting to order at 3:04 p.m.

Agenda Item 1 – Public Appearances

None.

Agenda Item 2 – Review of Minutes

The February 22, 2011 Neighborhood Quality of Life and Revitalization meeting minutes were accepted.

Vice Mayor Navarro asked meeting attendees to introduce themselves.

Agenda Item 3 – Mill Avenue Holiday Lighting

John Osgood, Deputy Public Works Director – Field Operations, briefed the Committee on Mill Avenue holiday lighting, as outlined in the agenda packet. Discussion highlights include:

- There was no City funding for holiday lights this past season; DTC coordinated the lighting and funding.
- DTC contributed \$25,000 to this lighting project in addition to \$15,000 in funds donated by the community; last year's lighting costs totaled \$40,000
- Last year, tree canopies and tree trucks were wrapped with lights
- Lights wrapped on tree trucks caused maintenance/vandalism issues; this practice will be discontinued

- DTC is looking at a more permanent, year round solution for lighting
- A possible solution is lighting that crosses the street diagonally, connecting to buildings; lighting would not interfere with traffic lighting. Approval from building landlords would be required.
- The more permanent lighting would bring a festive atmosphere to the area year round.
- LED colored lighting could be used for different events. For example, the lights could shine green for St. Patrick's Day and maroon and gold for an ASU event.
- Lighting in the tree canopies will continue
- Staff is looking for Committee direction concerning holiday lighting
- Vice Mayor Navarro expressed interest with exploring the festive, colored lighting
- Another type of lighting is one that projects up into the tree canopy.
- DTC and City staff will look at the cost of lighting and solicit input from downtown businesses, including funding raising ideas
- If a permanent year round solution for lighting is ultimately proposed, this issue should be briefed to the Mill and Lake District Council Committee.

Agenda Item 4 – Homelessness in Neighborhood Parks Update

Theresa James, Homeless Coordinator, briefed the Committee on homelessness issues in neighborhood parks. She noted that the City Attorney's Office is reviewing the City's ordinances concerning parks and enforcement issues. Robert Hubbard, Deputy City Attorney, provided the following information:

- Ordinance prohibits activities that can be prohibited based on constitutional rights
- Ordinance can be modified to change the civil violations to criminal violations, which would assist with enforcement activity.
- Under a criminal violation, an individual can be placed on a "probation period" and not allowed in a specific park for a specific time period. Downside to this penalty is that individuals can move from park to park. 90% of individuals adhere to their probation rules.
- Certain behaviors cannot be prohibited – such as remaining in a park for a long period of time during park hours
- Police Department responds to complaints; violations have been upheld in court

Discussion continued with the following highlights:

- Certain faith-based groups and organizations provide social services in the park; there are no City social service programs provided in parks.
- Staff met with several faith-based groups and asked them to provide services and meals to homeless individuals in locations other than neighborhood parks. Some cities have ordinances that prohibit this activity or require a permit to conduct this activity.
- When the Park Ranger program was established, the penalties in the ordinance were changed from criminal to civil penalties
- It does not make sense to issue warrants and fine homeless individuals for locating in parks
- Curfew for lighted parks is midnight; curfew for non-lighted parks is 10:00 p.m.
- Increased police patrol in parks is a proactive step; it reduces homelessness issues in parks
- Transportation such as light rail and Orbit affects homelessness issues in Tempe
- Perhaps the ramada rental program in several parks will reduce homelessness issues
- Currently Clark Park and Daly Park have ramada reservation systems; Parks Division staff patrols the parks/ramada areas
- Interdepartmental work group meets routinely and noted that active parks such as Kiwanis Park and Tempe Beach Park do not have these types of issues
- Consider activating parks by reaching out to residents to educate them about available resources
- Perhaps Police Department volunteers could be utilized to patrol parks, a "Citizen on Patrol" program. Staff will investigate a program and report back at the next Committee meeting.
- 10 years ago the City had a Parks Patrol program for neighborhood parks, the program disbanded.
- The issue with using civilians in the parks is that they must be willing to testify as a witness if a dispute occurs

Agenda Item 5 – Escalante Clean up

Shauna Warner, Neighborhood Program Director, briefed the Committee on the Escalante Clean Up Program, as outlined in the agenda packet. Discussion highlights include:

- Clean up is scheduled for Saturday, March 26; it is a proactive approach working with residents
- Survey given to area residents and received a 20% return rate – majority of responses were about maintenance issues
- An ASU group, “Devils in Disguise”, are using this opportunity for a community service project
- Trees will be planted in the area
- One of the arterial walls will be repaired; the Homeowners Association (HOA) is supplying the paint to ensure it matches; volunteers will do the painting
- Dumpsters will be available in several locations for alley and neighborhood debris
- Bilingual neighborhood clean up information in English and Spanish was distributed via door hangers
- Fire Department representatives will be providing free smoke detectors
- Police Department representatives will have crime prevention materials available in the park
- Clean-up really makes a difference in the neighborhoods

Agenda Item 6 – Energy Efficient Lighting in Mill Avenue District

John Osgood, Deputy Public Works Director – Field Operations, updated the Committee on the energy efficient lighting project for the Mill Avenue District, as follows:

- Project focuses on Mill Avenue lighting
- Staff evaluated and tested lighting options over a 2-year period
- Testing revealed individual preferences between soft amber light vs. crisp white light
- Project is eligible for Energy Efficiency Conservation Block Grant (EECBG) funding; criteria is reducing energy and creating jobs
- Request for Proposal (RFP) developed for lighting specified performance, not technology
- Based on vendor responses and industry research, staff determined induction lighting best meets Tempe’s needs
- 25% of the lights have been installed; next group of lights are ready for installation
- Existing lighting system is reaching the end of its useful life
- DTC and the Police Department also evaluated lights; lights meet their needs and enhances visibility

Isaac Chavira, Transportation Maintenance Manager, provided a PowerPoint presentation, as follows:

- Existing Inventory Condition: 1,000 high pressure sodium decorative acorn fixtures
 - 15-20 years old; lenses - yellowing and fading; ballasts – beyond end of life; lamps – 3 year life
- Energy Efficient Replacement Lights: capital costs grant funded; durable, 20-year lamp life span; 50% less energy costs
- Visual Comparison: existing high pressure sodium acorn lamp vs. replacement induction acorn lamp
- Nighttime comparison: depicted difference between high pressure sodium lighting vs. induction lighting
- Energy and Replacement Cost Comparison; high pressure sodium annual costs \$70,513 vs. induction annual costs \$26,781
- Environmental Impacts: greenhouse gas emission reduction for induction fixture replacement (annually)
 - 480 metric tons of carbon dioxide; equivalent to 1,056 barrels of oil; equivalent to electricity used by 58 homes

Discussion continued, as follows:

- Lighting uses less wattage, has more life, more light and requires less maintenance
- Vice Mayor Navarro thanked staff for the pictures of what the lighting actually looks like
- Concerning feedback regarding lighting in residential areas: there were no comments about the lights in the neighborhood. However, staff received comments from individuals that had a street light located close to their driveways. Due to the brightness, staff installed a light shield to reduce the amount of light at that location.

Concerning feedback regarding lighting in the downtown area: staff did not receive many comments, either positive or negative.

- Lighting is energy efficient, good for public safety and saves money
- Staff will continue to solicit neighborhood feedback
- Staff will utilize door hangers to distribute information prior to replacing lighting in residential areas.
- An open public meeting was held – only two individuals attended

Agenda Item 7 – Future Agenda Items

- Cell towers
- Homelessness in parks update
- Adopt a Park Program
- Arterial walls update
- Western canal pathway update

Agenda Item 8 – Future Meeting Date and Time

The next meeting is scheduled for April 26, 2011 at 3:00 p.m.

Agenda Item 9 – Announcements

Vice Mayor Navarro noted that the recently held Tempe Cares event was successful.

The meeting adjourned at 3:54 p.m.

Reviewed by Amber Wakeman, Assistant to City Council

Brigitta M. Kuiper
City Clerk



Minutes Double Butte Cemetery Advisory Committee February 16, 2011

Minutes of the Double Butte Cemetery Advisory Committee meeting held on February 16, 2011, 4:00 p.m., Tempe Public Library – Library Board Room, 2nd Floor, 3500 S. Rural Rd.

Members Present:

Brad Olsen, Chair
Sandi Hutson, Vice-Chair
Jim Mack
Robert Marshak
Katherine Rountree
Katherine Schmidt
Eduarda Yates

Members Absent:

Carol McKnight
Patricia Tolson-Gonzalez

City Staff Present:

Bobbi Lloyd, Public Works - Field Operations
Tim Pfannenstein, Public Works – Field Operations
Shawn Wagner, Community Services

Meeting convened at 4:00 pm.

Brad Olsen called the meeting to order.

Agenda Item 1 – Consideration of Meeting Minutes

Meeting minutes of October 20, 2010 were accepted.

Agenda Item 2 – Public Appearances

None

Agenda Item 3 – New Committee Appointee Katherine Rountree and Two Reappointed Sandi Hutson and Patricia Tolson-Gonzalez

New committee member Katherine Rountree welcomed and acknowledgment given to Sandi Hutson and Patricia Tolson-Gonzalez on their reappointments.

Agenda Item 4 – Maintenance Updates

Tim Pfannenstein provided an update on recent maintenance activity.

Comments/Follow up:

- Cost information on over seeding Sunrise area (Tim follow up)
- Replacement cost for dead trees that were removed (Tim follow up)
- Olive droppings, price to spray or sweep (Tim follow up)

Agenda Item 5 – Recap Tales From Double Butte Event

Event was successful, sold 113 tickets at \$15.00 each bringing in a total of \$1695.00 which was split 50/50 for Historical Society and cemetery.

Agenda Item 6 – Sales Report

Sales sheet reflecting new burial and peripheral sales was provided in packet. Sales had increased in November and lots of activity so far in February as well.

Agenda Item 7 – Future Agenda Items

- Ideas for work day projects

Meeting adjourned at 4:30 p.m.

Prepared by: Bobbi Lloyd, Administrative Assistant II, (480) 350-8352

Reviewed by: Tim Pfannenstein, Parks & Golf Supervisor (480) 350-8273

Minutes
Building Code Advisory Board Work Session
Monday, April 4, 2011

Minutes of the Building Code Advisory Board Work Session held on April 4, 2011, 1:30 p.m., in the Community Development BS Conference Room, Tempe, Arizona.

Members Present:

Dave Maza, John Chester, Rick Carr

Members Absent: None

City Staff Present: Michael Williams, Board Secretary/Community Development Deputy Director; Jim Walker, Tempe Fire Department

City Staff Absent: Roger Vermillion, Plan Review Administrator

Guests Present: None

Meeting Called to Order at 1:35 pm

Agenda Item Ia; Approval of Minutes from March 14, 2011

Motion to approve minutes: John Chester

Second: Rick Carr

Decision: Minutes approved

Agenda Item II; Begin review of 2009 IBC. Action items 1 – 29 were discussed by members and staff. Wording was editorially revised in Action items 13, 24, and 29. Majority approved all Action items.

Agenda Item III; The next meeting has been scheduled for April 25, 2011, at 1:00 pm in the Community Development BS Conference Room, Tempe, Arizona.

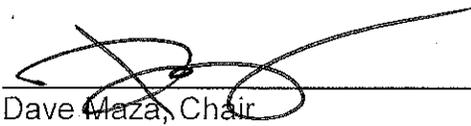
Meeting Adjourned at 2:55 pm

Prepared by; Michele Lorange



Michael J. Williams, CBO
Board Secretary

Approved by:



Dave Maza, Chair
Building Code Advisory Board of Appeals



Minutes Mayor's Youth Advisory Commission April 5, 2011

Minutes of the Mayor's Youth Advisory Commission held on April 5, 2011, 6:30 p.m. in the Public Library Board Room, 3500 S. Rural Road, 2nd Floor, Tempe, Arizona.

MEMBERS Present: Katie Barone, Jeff Darge, Dirk Fenstermacher, Nick Gaitan, Varun Gregory, Ben Moffat, Lauren Milovich, Ashley Noble, Kristen Rund, Marcos Souffle, An Tran, Grayce Whiting, and Humza Zubair.

MEMBERS Absent: Maria Eller, Rafael Gutierrez, Will Morgan, Anjali Nair, Sanna Rahman, David Reynolds, Katrina Rodrigues, and Kaylee Wong.

City Staff Present: Kim Bauman and Peggy Goldberg.

Guests Present: Makoto Hunter.

Agenda Item 1- Call Meeting to Order

Nick Gaitan, MYAC Chair called the meeting to order at 6:35 p.m.

Agenda Item 2 – Minutes from March 22, 2011 Meeting

An Tran read the minutes from the March 22, 2011 meeting.

MOTION: **An Tran** motioned to approve the minutes.

SECOND: **Ashley Noble** seconded the motion.

DECISION: Minutes were approved.

Agenda Item 3 – Treasurer's Report

An Tran provided the treasurer's report.

Agenda Item 4 – Announcements

- 1) **Nick Gaitan** introduced guest Makoto Hunter who is a Connolly Middle School student.
- 2) **Kim Bauman, MYAC Advisor** made the following announcements:
 - Tempe Budget Community Forums will be held on Tuesday April 12th 6-7:30 p.m. and Tuesday, April 19th 6-7:30 p.m. Interested members should ask for an informational flyer from Kim after the meeting.
 - The Rover Elementary Brownie Troop has completed a service project to eliminate Styrofoam trays in their school cafeteria and also have suggestions for eco-friendly alternatives. Kim asked MYAC members if they would be interested in hearing the presentation. Members indicated they were very interested in hearing the presentation.

Agenda Item 5 – YouthFest Courage Awards and Tempe Top Teens Recognition

Kim Bauman passed around a sign-up sheet for members to indicate if they plan to attend the 2011 YouthFest Courage Awards and Tempe Top Teens Recognition Dinner on Monday, April 25th. Members would need to arrive at 5 p.m. to assist with event set-up and registration.

Agenda Item 6– Reading Rocks Final Activity Planning

- 1) **Nick Gaitan** led discussion on the Reading Rocks activities that have occurred so far. Members were in consensus that they and the students have enjoyed the activities.
- 2) Members determined their final activity at each school site, which will include giving each participant a fiction book.

Agenda Item 7 – Teen Hangouts in Tempe

- 1) **Kim Bauman** notified members that peer leaders funded through the City's Magellan Grant and other youth groups have been working on a GPS project where they are mapping teen hangouts, and/or places teens frequent, and their proximity to alcohol outlets. The project needs some assistance identifying those teen hangouts.
- 2) MYAC members spent the duration of the meeting identifying places teens hang out at and/or frequent in Tempe.

Agenda Item 8 – Future Agenda Items

- Rover Elementary Brownie Troop Presentation
- YouthFest Courage Awards and Tempe Top Teens Recognition Dinner
- Reading Rocks Project
- Year-End Celebration

Meeting adjourned at 7:30 p.m.

Prepared by: Lauren Milovich

Reviewed by: Kim Bauman

Nick Gaitan, Chair
Mayor's Youth Advisory Commission

MINUTES OF THE DEVELOPMENT REVIEW COMMISSION APRIL 12, 2011

Harry E. Mitchell Government Center
Tempe City Hall - City Council Chambers
31 E. 5th Street, Tempe, AZ 85281
6:00 PM (5:30 Study Session)

Commission Present:

Mike DiDomenico, Chair
Dennis Webb, Vice Chair
Monica Attridge
Tom Oteri
Peggy Tinsley
Paul Kent
Kolby Granville

Commission Absent:

Mario Torregrossa

City Staff Present:

Lisa Collins, Deputy Director Community Development Dept.
Steve Abrahamson, Planning & Zoning Coordinator
Diana Kaminski, Senior Planner
Lisa Novia, Administrative Asst. II

Chair DiDomenico called the meeting to order at 6:00 p.m. It had been determined at Study Session that the minutes were in order and that Item No. 2 could be placed on the Consent Agenda.

1. **CONSIDERATION OF MEETING MINUTES: 02/22/11 & 03/22/11**

On a motion by Commissioner Tinsley and seconded by Commissioner Kent, the Commission with a vote of 6-0 (Commissioner Oteri abstained) approved the minutes of the 2/22/11 and 3/22/11 meetings.

CONSENT AGENDA

On a motion by Commissioner Granville and seconded by Vice Chair Webb, the Commission with a vote of 7-0 approved this Development Plan Review as recommended in the staff report.

2. Request by **DICE POINT (PL110006)** (Haithem Haddad, Empire Properties, Inc., property owner and applicant) consisting of an exterior remodel of existing 40-unit apartment community, on 1.43 net acres, located at 601 West 5th Street, in the R-3 Multi-Family District. The request includes the following:

DPR11007 – Development Plan Review including building elevations

THIS CASE WAS CONTINUED FROM THE MARCH 22, 2011 MEETING

STAFF REPORT: [DRCr DicePoint_041211.pdf](#)

3. **ANNOUNCEMENTS** – No announcements were made.

The hearing adjourned at 6:05 p.m.

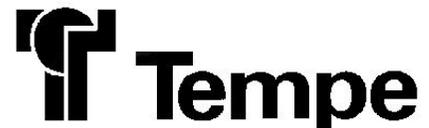
Prepared by: Lisa Novia, Administrative Assistant II

Reviewed by: Lisa Collins, Deputy Director Community Development Department

A handwritten signature in black ink, appearing to read "Lisa Collins". The signature is written in a cursive, flowing style.

Lisa Collins, Deputy Director Community Development Department

Staff Summary Report



Council Meeting Date: 5/5/2011

Agenda Item Number: _____

SUBJECT: Hold a public hearing to recommend the approval of an acquisition of control of a Series 10 beer and wine store liquor license for Paldo Market Inc., dba Paldo Market, 9 East Southern Avenue, #102.

DOCUMENT NAME: 20110505fsap 01 119912 – LIQ LIC (0210-02)

COMMENTS: Richard Todd Bradshaw is the Agent for this application.

PREPARED BY: Ana Perez, Financial Services Technician II (350-8651)

REVIEWED BY: Bruce L. Smith, License & Collection Supervisor (350-8509)

LEGAL REVIEW BY: David Park, Assistant City Attorney (350-8907)

DEPARTMENT REVIEW BY: Ken Jones, Finance and Technology Director (350-8504)

FISCAL NOTE: N/A

RECOMMENDATION: Recommend approval of this application because the applicant and location have met all city and county liquor licensing criteria.

ADDITIONAL INFO: If a person other than those persons originally licensed acquires control over a license, they must file notice of the acquisition with the Arizona Department of Liquor Licenses and Control and list the new officers, directors or other controlling persons. All officers, directors or other controlling persons must meet the qualifications for licensure as prescribed by Arizona Revised Statute. This business has had a Series 12 restaurant liquor license since August 1999. Tempe city code requires that the Tempe Police Department conduct a background investigation on all liquor license applicants. The premises has been posted for a 20-day period, per Arizona Revised Statute. No public opposition has been received regarding this liquor license application.

State statute requires municipalities to make one of three recommendations to the Arizona Department of Liquor Licenses and Control (AZ DOL):

1. Approval
2. Denial (this results in a public hearing set by the AZ DOL)
3. No recommendation (this may result in a public hearing set by the AZ DOL)

City Council Meeting Date: 5/5/11

Agenda Item Number: 5A2

SUBJECT: Set a Public Hearing date of June 2, 2011 for the Downtown Tempe Enhanced Services District assessments for fiscal year 2011/2012.

DOCUMENT NAME: 20110505cdcm01 DOWNTOWN TEMPE ENHANCED SERVICES DISTRICT (0805-03)

COMMENTS: Each year the City Council authorizes an assessment on downtown Tempe property owners. The Assessment partially funds the DTC operation for the upcoming fiscal year. The attached notice announces the public hearing at which the assessments will be reviewed and acted on.

PREPARED BY: Chris Messer, Principle Planner (350-8562)

REVIEWED BY: Lisa Collins, Deputy Community Development Director (350-8989)

LEGAL REVIEW BY: Cynthia McCoy, Assistant City Attorney (858-2187)

DEPARTMENT REVIEW BY: Chris Anaradian, Community Development Director (858-2204)

FISCAL NOTE: N/A

RECOMMENDATION: Set a Public Hearing Date for June 2, 2011.

ADDITIONAL INFO: In 1993, the City Council adopted Resolution No. 93.35 creating the Downtown Tempe Enhanced Services District. At the same time, the City entered into an agreement with the Downtown Tempe Community (DTC) to manage and operate the District. Each property in the district is assessed unless they are exempt. The assessments partially fund the DTC activities, which include sidewalk cleaning, public safety coordination, litter control, landscape maintenance, parking management, economic development management, special events and festivals, business recruitment, promotional campaigns, marketing, property and business liaison with the City and other duties as directed by their Board. Each year the City Council holds a Public Hearing to review the Assessments. Pursuant to Arizona Revised Statute 48-575E, the City Council shall fix a time when it will hear and pass upon the assessments and the prior proceedings relating thereto which shall not be less than twenty days from the date of the notice. Attached is that notice.

**NOTICE OF OPPORTUNITY TO PROTEST
DISTRICT ASSESSMENTS
AND NOTICE OF HEARING ON PROTESTS**

**TO: ALL OWNERS OF OR PERSONS INTERESTED IN LAND LYING WITHIN THE
DOWNTOWN TEMPE ENHANCED SERVICES IMPROVEMENT DISTRICT**

Pursuant to Resolutions Nos. 93.35, 98.68, 2003.30, 2008.38, and 2009.52 of the Mayor and Council of the City of Tempe, Arizona, and Section 48-575 Arizona Revised Statutes, the City established the Downtown Tempe Enhanced Services Improvement District (the "District").

The annual costs and expenses of the District are assessed against the land lying within the District as shown on the Downtown Tempe Enhanced Services District map attached hereto.

For further particulars, reference is hereby made to Resolution No. 93.35, the 1993 District Plans, Specifications and Estimate of cost and expenses, Resolution No. 2003.30, the 2003 District Continuation and Organization Report, and the Proposed FY 2011/2012 Assessments, which will be on file in the office of the Clerk of the City of Tempe after May 13, 2011.

The owners of property within the District may file written protests against the annual assessments of the District and all prior proceedings relating thereto. The protests may be filed with the Clerk of the City of Tempe, 31 E. Fifth Street, Tempe, Arizona, and must be received on or before May 31, 2011.

A hearing on the assessments and all protests filed will be held June 2, 2011, and if needed, June 16, 2011. The hearing will be held at the City Council Chambers, 31 E. Fifth Street, Tempe, Arizona, at 7:30 p.m.

For additional information concerning services provided by the Assessment District, interested parties should contact the Downtown Tempe Community, Inc. (DTC) at (480) 921-2300.

DATED: _____

Clerk, City of Tempe, Arizona

Staff Summary Report



Council Meeting Date: 5/5/2011

Agenda Item Number: _____

SUBJECT: Request approval of a one-year contract renewal with PMT Ambulance for emergency medical transportation services to support the Fire Department.

DOCUMENT NAME: 20110505fslg02 PURCHASES (1004-01)

COMMENTS: There is no cost to the City for this contract.

PREPARED BY: Lisa Goodman, CPPB, Procurement Officer, 480-350-8533

REVIEWED BY: Michael Greene, CPM, Central Services Administrator, 480-350-8516
Jerry Hart, CPA, Deputy Finance & Technology Director - Finance, 480-350-8505
Mitch Bycura, Deputy Fire Chief of Medical Services, 480-858-7209
Mark Simmons, Fire Chief, 480-858-7218
John Valenzuela, Assistant Fire Chief, 480-858-7257

LEGAL REVIEW BY: Dave Park, Assistant City Attorney, 480-350-8907

DEPARTMENT REVIEW BY: Ken Jones, Finance and Technology Director, 480-350-8504

FISCAL NOTE: There is no cost to the City for this contract.

RECOMMENDATION: Approve the renewal of the contract.

ADDITIONAL INFO: Background Information

The City of Tempe issued a Request for Proposal (RFP) to establish a term contract for emergency medical transportation services to support the Fire Department. The contract was awarded by Council on February 7, 2008 for an initial two-year term with three, one-year renewal options. This renewal request is for the second of three available renewal options.

Contractor Performance

PMT Ambulance's performance was rated by the Fire Department on the following criteria:

- Personnel are responsive, cooperative, and available
- Overall quality of services delivered
- Timeliness of performance
- Quality of follow-up in resolving complaints or problems
- Firm's promptness in submitting accurate invoices

In all categories, PMT Ambulance received scores indicating they are meeting or exceeding standards as established by the contract.

Staff Summary Report



Council Meeting Date: 5/5/11

Agenda Item Number: _____

SUBJECT: Request approval of a one-year contract renewal with All City Towing, Inc. and Apache Sands Service Center, Inc. for vehicle towing services for the Police Department and Public Works Department.

DOCUMENT NAME: 20110505fsmg04 PURCHASES (1004-01)

COMMENTS: Total combined cost to the City for fleet tows shall not exceed \$30,000 during the one year renewal period. Charges for Police initiated tows are the responsibility of the vehicle owner.

PREPARED BY: Michael Greene, C.P.M., Central Services Administrator, 480-350-8516

REVIEWED BY: Jerry Hart, CPA, Deputy Finance and Technology Director – Finance, 480-350-8505
Tom Ryff, Police Chief, 480-350-8214
Paul Bentley, Fiscal/Research Administrator, 480-858-6204
Kerby Rapp, Lieutenant, 480-350-8660
John Ferrin, Sergeant, 480-350-8551
Aaron Alvarado, Fleet Manager, 480-350-8344

LEGAL REVIEW BY: Bill Amato, Police Legal Advisor, 480-350-8907

DEPARTMENT APPROVAL: Ken Jones, Finance and Technology Director, 480-350-8505

FISCAL NOTE: Sufficient funds have been appropriated in cost center 3262-6720 (General Fund) for the anticipated expenditures for City vehicle tows in the current fiscal year.

RECOMMENDATION: Approve the renewal of the contract.

ADDITIONAL INFO: Background Information

The purpose of this contract is to provide towing and storage services for vehicles removed from accident scenes, abandoned vehicles, police impounds, and City owned vehicles. These contracts have no association with private property tows. The City coordinates approximately 800 vehicle tows per month.

On June 5, 2008, contracts were awarded for an initial three-year term with three, one-year renewal options. This renewal request is for the first of three available renewal options. If approved as recommended, the contracts will be extended through June 13, 2012.

The awarded firms were evaluated on the following performance criteria:

- Personnel are responsive, cooperative, and available
- Overall quality of services delivered
- Timeliness of performance
- Quality of follow-up in resolving complaints or problems
- Firm's promptness in submitting accurate invoices

In all categories All City Towing and Apache Sands Service Center received scores indicating they are meeting or exceeding standards as established by the contract.

Pricing for this contract was originally established by the City based on a survey of surrounding towing markets. As a result of that survey, the City set common rates for the various towing services. Annual pricing adjustments to these rates were tied to the Consumer Price Index (CPI-U). For the first three years of this agreement the CPI index was flat so no adjustments in rates have been granted. However, this year the CPI index has increased by 1.6% so current pricing will increase by the same percentage for the fourth year of this agreement.

Staff Summary Report



Council Meeting Date: 5/5/11

Agenda Item Number: _____

SUBJECT: Request approval to award contracts to GG&G, Inc., and Kiesler Police Supply, Inc., for the purchase of rifle optical sights, suppressors, and gun cases for the Police Department.

DOCUMENT NAME: 20110505fsmg03 PURCHASES (1004-01)

COMMENTS: Total amount of the GG&G contract is \$62,414.13; Total amount of the Kiesler Police Supply contract is \$4,854.99. The combined contract value is \$67,269.12.

PREPARED BY: Michael Greene, C.P.M., Central Services Administrator, 480-350-8516

REVIEWED BY: Jerry Hart, CPA, Deputy Finance and Technology Director – Finance, 480-350-8505
Tom Ryff, Police Chief, 480-350-8214
Mike Horn, Lieutenant, 480-350-8499
Paul Bentley, Fiscal/Research Administrator, 480-858-6204
Steve Horsman, Police Officer, 480/858-6254
John Avalos, Sergeant, 480-858-6280
Kyle Schmidt, Police Officer, 480-858-8554

LEGAL REVIEW BY: Dave Park, Assistant City Attorney, 480-350-8907

DEPARTMENT APPROVAL: Ken Jones, Finance and Technology Director, 480-350-8505

FISCAL NOTE: (RFP #11-136) Sufficient funds have been appropriated in cost center 2222 (Police Department RICO and Grants fund) for the anticipated expenditures in the current fiscal year.

RECOMMENDATION: Award the contracts.

ADDITIONAL INFO: Background Information

The City issued the above referenced RFP for the purchase of 70 rifle optical sights, 80 suppressors, and 80 gun cases. These items will be used to outfit existing Police Department issued AR 15 patrol rifles.

Evaluation Process

The City received twelve (12) proposals that were reviewed and scored by the evaluation committee comprised of Police Department and Procurement staff. The scoring criteria included the following categories:

- a) Quality of products offered – 30%
- b) Cost – 30%
- c) Experience – 15%
- d) Warranty – 10%
- e) Delivery time – 10%
- f) Responsiveness – 5%

Each of the items (optical sights, suppressors, and gun cases) were evaluated separately in accordance with the above scoring matrix. It was determined that a field test of the suppressors was necessary in order to fully evaluate the overall performance of the products offered. Three manufacturers were invited for suppressor demonstration that included Gem Tech, SRT ARMS and Advanced Armament. The Tempe Police Firearms Training Unit conducted the controlled test at the Rod and Gun Club Firing Range that verified the suppressors' performance in the following categories:

- a) Decibel reduction
- b) Impact on firing accuracy
- c) Impact on bullet velocity
- d) Weight of suppressors

Once the suppressor test was concluded the evaluation committee met to complete the evaluation and finalize scoring. The matrix below represents the final evaluation scoring along with unit pricing. The bolded elements represent the firms being recommended for award.

	<u>Rifle Optical Sight</u>		<u>Suppressor</u>		<u>Gun Cases</u>	
Offering Firm	Score	Unit Price	Score	Unit Price	Score	Unit Price
Proforce, Inc.l	785	\$481.66	603	\$500.00	563	\$61.11
Personal Protection Group	708	\$724.50	718.5	\$434.70	566	\$59.00
Lawmens and Shooter Supply	793	\$458.75	NB	NB	650	\$20.89
GG&G, Inc.	835	\$416.75	877.5	\$363.80	562	\$64.40
Kiesler Police Supply	723	\$703.56	678.5	\$473.00	680	\$56.93
Federal Eastern International	672	\$910.00	NB	NB	537	\$76.00
Adamson Police Products	709	\$645.00	813.50	\$427.00	541	\$72.95
SGA Tactical	702	\$669.07	803.5	\$417.50	550	73.50
Clyde Armory (Specification)	807	\$428.44	734.5	\$393.72	548	\$67.74
Clyde Armory (Alternate)	NB	NB	624	\$385.00	550	\$26.46
SRT Arms (Hurricane)	NB	NB	820.5	\$392.00	NB	NB
SRT Arms (Hurricane K)	NB	NB	711	\$388.00	NB	NB
SRT Arms (Typhoon)	NB	NB	801	\$375.00	NB	NB
Galls	NB	NB	NB	NB	664	\$66.99
San Diego Police	NB	NB	NB	NB	584	\$52.79

The committee is recommending the lowest priced offers for both the rifle optical sights and the suppressors. The gun cases are not being recommended to the lowest priced offer due to specification compliance issues.

It is the recommendation of the evaluation committee that contracts be awarded to GG&G for supplying the rifle optical sights and suppressors and Kiesler Police Supply for supplying the gun cases. Delivery time for all items is estimated at 30 to 60 days.

REQUEST FOR PROPOSAL

CITY OF TEMPE

REQUEST FOR PROPOSAL : 11-136

RFP ISSUE DATE: 02/07/2011

Commodity Code(s): 133-16, 112-16

PROCUREMENT DESCRIPTION: Rifle Optical Sights, Suppressors and Cases

PROPOSAL DUE DATE/TIME: Friday, February 25, 2011 at 3:00 P.M. Local Time

Late proposals will not be considered.

ORIGINAL

PROPOSAL RESPONSE MUST BE DELIVERED TO CITY PROCUREMENT OFFICE.

Mailing Address: P.O. Box 5002, Tempe, AZ 85280
Street Address: 20 E. Sixth Street (2nd Floor), Tempe, AZ 85281

PRE-PROPOSAL CONFERENCE (if scheduled): N/A

DEADLINE FOR INQUIRIES: Tuesday, February 15, 2011 at 5:00 P.M., Local Time

Sealed proposals must be received and in the actual possession of the City Procurement Office on or before the exact Proposal Due Date/Time indicated above. Proposal responses will be opened and each Offeror's name will be publicly read. Prices are not read and shall be kept confidential until award. Late proposals will not be considered.

Proposals must be submitted by a sealed envelope/package with the Request for Proposal number, Offeror's name and address clearly indicated on the envelope/package. **It is critical that the RFP number be included on the front of the envelope to ensure proper handling.**

Proposals must be completed in ink or typewritten and a completed proposal response returned to the City Procurement Office by the Proposal Due Date/Time indicated above. The "Vendor's Offer" (Form 201-B RFP) must be completed and signed in ink. Proposals by electronic transmission, telegraph, mailgram or facsimile will not be considered.

Offerors are asked to immediately and carefully read the entire Request for Proposal and not later than ten (10) days before the Proposal Due Date/Time, address any questions or clarifications to the Procurement Officer identified below:

Michael Greene, CPM E-mail: Michael_greene@tempe.gov Phone No: 480.350.8516

Procurement Officer

Award recommendations are publicly posted to the City Procurement Office web page www.tempe.gov/purchasing and at the Procurement Office reception counter.

Submit one (1) original signed and completed proposal response for evaluation purposes. For this specific RFP, one (1) additional proposal response copy is also to be submitted for evaluation purposes. A late, unsigned and/or materially incomplete proposal response will be considered nonresponsive and rejected.

The City Procurement Office is committed to fair and equal procurement opportunities for all firms wishing to do business with the City and encourages the participation of small and disadvantaged businesses.

MG

Michael Greene, C.P.M.
Central Services Administrator

Vendor's Offer

Form 201-B (RFP)

It is required that Offeror complete, sign and submit the original of this form to the City Procurement Office with the proposal response. An unsigned "Vendor's Offer", late proposal response and/or a materially incomplete response will be considered nonresponsive and rejected.

Offeror is to type or legibly write in ink all information required below.

Company Name: <u>Kiester Police Supply, Inc.</u>	
Company Mailing Address: <u>2802 Sable Mill Rd.</u>	
City: <u>Jeffersonville</u> State: <u>IN</u>	Zip: <u>47130</u>
Contact Person: <u>Cassi Shearer</u>	Title: <u>Bid Specialist</u>
Phone No.: <u>812-288-5740</u> FAX: <u>812-285-5097</u>	E-mail: <u>cshearer@kiester.com</u>
<u>Company Tax Information:</u>	
Arizona Transaction Privilege (Sales) Tax No.: <u>N/A</u>	or
Arizona Use Tax No.: <u>N/A</u>	
Federal I.D. No.: <u>35-1361847</u>	
City & State Where Sales Tax is Paid: _____	
If a Tempe based firm, provide Tempe Transaction Privilege (Sales) Tax No.: <u>N/A</u>	

THIS PROPOSAL IS OFFERED BY

Name of Authorized Individual (TYPE OR PRINT IN INK) Cassi Shearer

Title of Authorized Individual (TYPE OR PRINT IN INK) Bid Specialist

REQUIRED SIGNATURE OF AUTHORIZED OFFEROR (MUST SIGN IN INK)

By signing this Vendor's Offer, Offeror acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other Offeror or potential Offeror. In accordance with A.R.S. 35-393, et seq., the Offeror hereby certifies that it does not have scrutinized business operations in Iran or Sudan. Failure to sign and return this form with proposal response will be considered nonresponsive and rejected.

Cassi Shearer
Signature of Authorized Offeror

2-9-11
Date

(H:/RFP 3-2008)

Price Section

ITEM NO.	DESCRIPTION OF REQUIRED MATERIAL, SERVICE OR CONSTRUCTION	QTY	UNIT	UNIT PRICE	EXTENDED PRICE
1.	Optical Sights, Aimpoint Comp (M3 #11408) or equal <u>and all components as described in Specifications item a through j:</u> Describe Make and Model for optical sight and all components as requested in Specification section a-j: Make and model of optical sight: <u>Aimpoint 11408</u> Make and model of mount: <u>AA&G 1014</u> Make and model of flip-up iron sight: <u>BB&G 1005</u> Delivery time: <u>estimated 1-3 weeks</u> Warranty: <u>see attachment</u>	70	EA	\$ <u>703.56</u>	\$ <u>49,249.20</u>
2.	Suppressor, Gem Tech Model TREK or equal, 5.56 mm, in accordance with Specifications section Make and model: <u>GemTech TREK</u> Warranty: <u>Warranty comes w/all Suppressors</u> Delivery time: <u>90-120 days</u> Suppressor length: <u>5.7"</u> Suppressor weight: <u>17.3 oz</u>	80	EA	\$ <u>473.00</u>	\$ <u>37,840.00</u>
Sub Total items #1 & #2					\$ <u>87,089.20</u>
Tax ()%					\$ <u>N/A</u>
Total Offer					\$ <u>87,089.20</u>

Optional Pricing below for rifle cases that may be purchased based on available budget:

3.	Rifle Cases, Blackhawk #64RC41BK or equal in accordance with Specifications Make and model: <u>Blackhawk #64RC41BK</u> Warranty: <u>see attachment</u> Delivery time: <u>in stock, estimated 1 week</u>	10- 89	EA	\$ <u>56.93</u>	\$ <u>2,220.27</u>
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* All prices are good for a one time purchase.

Kiesler Police Supply, Inc.
 2802 Sable Mill Road
 Indianapolis, IN 47130

4. Rifle Cases, Blackhawk #64RC41BK or equal in accordance with Specifications 40-80 EA \$ 56.93 \$ 4,554.40

Make and Model: Blackhawk

Warranty: see attachment

Delivery Time: in stock, estimated 1 week

The City is seeking two different price options for the Rifle Cases as shown on Item #3 and #4 and will determine award based on budget availability. Firms may price any of the items listed. The City reserves the right to award by line item or by total.

Staff Summary Report



Council Meeting Date: 5/5/2011

Agenda Item Number: _____

SUBJECT: Request approval to award a five-year contract with five, one-year renewal options to Wheel Fun Rentals to manage and operate park concession operations at Kiwanis Park.

DOCUMENT NAME: 20110505fslg01 PURCHASES (1004-01)

COMMENTS: There is no cost to the City for this contract.

PREPARED BY: Lisa Goodman, CPPB, Procurement Officer, 480-350-8533

REVIEWED BY: Michael Greene, CPM, Central Services Administrator, 480-350-8516
Jerry Hart, CPA, Deputy Finance & Technology Director - Finance, 480-350-8505
Kathy Berzins, Community Services Director, 480-350-5464
Travis Dray, Deputy Community Services Director - Recreation, 480-350-5182
Shawn Wagner, Recreation Manager, 480-350-5299

LEGAL REVIEW BY: Dave Park, Assistant City Attorney, 480-350-8907

DEPARTMENT REVIEW BY: Ken Jones, Finance and Technology Director, 480-350-8504

FISCAL NOTE: (RFP #11-029) There is no cost to the City for this contract. The Contractor will compensate the City a monthly rental rate of \$375.00 for the concession facility plus \$1.00 per rental.

RECOMMENDATION: Award the contract.

ADDITIONAL INFO: Background Information

The City of Tempe issued a Request for Proposal (RFP) to establish a contract for a concessionaire to manage and operate park concession operations at Kiwanis Park. The concessionaire will rent various types of boats and bicycles and sell food, beverages and sundry items at Kiwanis Park.

Evaluation Process

A total of 25 firms were invited to participate in this procurement process. One proposal was received and scored by a committee comprised of Community Services, Public Works and Procurement staff.

The scoring criteria included both main and subcategories:

<u>Criteria</u>	<u>Weight</u>
1. Financial proposal to the City	25%
•Financial compensation offered to the City	
2. Financial status	20%
•Demonstrated solvency/responsibility to maintain a long-term contract with the City and to expend the necessary outlay cost to meet operational and program requirements in a quality manner	
•Current financial statement of assets and liabilities or a current annual financial report.	
•Financial references which verify financial history and stability	
•Stability of business relationships	
3. Food and/or boating concession experience	15%
•Number of years in the concession business	
•Type and volume of concession experiences	
•Creative services or merchandise provided	
•References which verify this experience and service quality	
•Duties with concession experience	
4. Business/management experience	15%
•Quality of business plan	
•Experience completely running a business or concession operation	
•Knowledge hiring, training, supervising and evaluating employees	
•Appearance standards of employees	
•Customer service experience	
•Ability to maintain cleanliness/appearance of facilities	
5. Marketing/merchandising experience	10%
•Quality of marketing plan	
•Years of merchandising experience	
6. Boats and concession equipment	10%
• Type and quality of boats	
• Type and quality of concession equipment	
7. Completeness of proposal/Acceptance of terms & conditions	5%

The committee reviewed and scored the proposal as follows:

<u>Firm</u>	<u>Score</u>
Wheel Fun Rentals	567

It is the recommendation of the committee to award a contract to Wheel Fun Rentals. Although only one proposal was received from the incumbent contractor, the City was successful in negotiating a new compensation plan combining monthly rent payments and compensation per rental that exceeds our previous agreement.

Vendor's Offer

It is required that Offeror complete, sign and submit the original of this form to the City Procurement Office with the proposal response. An unsigned "Vendor's Offer", late proposal response and/or a materially incomplete response will be considered nonresponsive and rejected.

Offeror is to type or legibly write in ink all information required below.

Company Name:	Valley of The Sun Bikes Wheel Fun				
Company Mailing Address:	4839 W Desert Hollow				
City:	Phoenix	State:	AZ	Zip:	85083
Contact Person:	Debbie Carmichael		Title:	Owner	
Phone No.:	623 297 0436	FAX:		E-mail:	dcarmichael@mohomehealth.com
Company Tax Information:					
Arizona Transaction Privilege (Sales) Tax No.:	20090983 A			or	
Arizona Use Tax No.:					
Federal I.D. No.:	203314595				
City & State Where Sales Tax is Paid:	Tempe		AZ		
If a Tempe based firm, provide Tempe Transaction Privilege (Sales) Tax No.:	106287				

THIS PROPOSAL IS OFFERED BY

Name of Authorized Individual (TYPE OR PRINT IN INK) Debbie Carmichael

Title of Authorized Individual (TYPE OR PRINT IN INK) Owner

REQUIRED SIGNATURE OF AUTHORIZED OFFEROR (MUST SIGN IN INK)

By signing this Vendor's Offer, Offeror acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other Offeror or potential Offeror. In accordance with A.R.S. 35-393, et seq., the Offeror hereby certifies that it does not have scrutinized business operations in Iran or Sudan. Failure to sign and return this form with proposal response will be considered nonresponsive and rejected.

Debbie Carmichael
Signature of Authorized Offeror

1/17/11
Date

REQUEST FOR PROPOSAL

CITY OF TEMPE

REQUEST FOR PROPOSAL : 11-029

RFP ISSUE DATE: 10/14/2010

Commodity Code(s): 052-03

PROCUREMENT DESCRIPTION: Park Concessionaire Services

PROPOSAL DUE Thursday, November 18, 2010, 3:00 P.M. Local Time

DATE/TIME:

Late proposals will not be considered.

PROPOSAL RESPONSE MUST BE DELIVERED TO CITY PROCUREMENT OFFICE.

Mailing Address: P.O. Box 5002, Tempe, AZ 85280

Street Address: 20 E. Sixth Street (2nd Floor), Tempe, AZ 85281

PRE-PROPOSAL CONFERENCE (if scheduled): **Wednesday, October 27, 2010 at 1:00 PM (Kiwanis Recreation Center, Classroom B at 6111 S. All America Way, Tempe, AZ 85283)**

DEADLINE FOR INQUIRIES: Monday, November 8, 2010, 5:00 P.M., Local Time

Sealed proposals must be received and in the actual possession of the City Procurement Office on or before the exact Proposal Due Date/Time indicated above. Proposal responses will be opened and each Offeror's name will be publicly read. Prices are not read and shall be kept confidential until award. Late proposals will not be considered.

Proposals must be submitted by a sealed envelope/package with the Request for Proposal number, Offeror's name and address clearly indicated on the envelope/package.

Proposals must be completed in ink or typewritten and a completed proposal response returned to the City Procurement Office by the Proposal Due Date/Time indicated above. The "Vendor's Offer" (Form 201-B RFP) must be completed and signed in ink. Proposals by electronic transmission, telegraph, mailgram or facsimile will not be considered.

Offerors are asked to immediately and carefully read the entire Request for Proposal and not later than ten (10) days before the Proposal Due Date/Time, address any questions or clarifications to the Procurement Officer identified below:

Lisa Goodman _____, CPPB E-mail: Lisa_goodman@tempe.gov Phone No: (480) 350-8533

Procurement Officer

Award recommendations are publicly posted to the City Procurement Office web page www.tempe.gov/purchasing and at the Procurement Office reception counter.

Submit one (1) original signed and completed proposal response for evaluation purposes. For this specific RFP, five (5) additional proposal response copies are also to be submitted for evaluation purposes. A late, unsigned and/or materially incomplete proposal response will be considered nonresponsive and rejected.

The City Procurement Office is committed to fair and equal procurement opportunities for all firms wishing to do business with the City and encourages the participation of small and disadvantaged businesses.

Michael Greene

Michael Greene, C.P.M.
Central Services Administrator



Proposal for Recreational Rentals and Concessions to the City of Tempe for Kiwanis Park

REQUEST FOR PROPOSAL : 11-029
PROCUREMENT DESCRIPTION: Park Concessionaire Services



Enclosed is a background of Wheel Fun Rentals and what we provide in over 100 locations across the country, including (since 2001) Kiwanis Park in Tempe, Arizona.

Wheel Fun Rentals has been operating bike, boat and food concessions around the country since 1987. We pride ourselves on the quality of our goods and services, safety, and our strong relationships with the cities, counties and states where we operate. We provide fun and recreation to thousands of local Kiwanis park patrons annually, and over a million customers that come to our locations nationwide each year.

Nationally, Wheel Fun Rentals is ranked #1 in recreation by Entrepreneur Magazine. We bring the best of local ownership and couple it with the resources and innovation that can come from a large network of operators.

To some, rentals in the park might not seem like a place for leading edge state of the art innovation, however we take this business very seriously. Best practices for customer service, safety, product maintenance, staff hiring & training, accounting and more are shared on our message boards, at our annual conference, in our newsletters, e-mails, phone calls and formal training.

As you will see in these pages, we bring a complete customer service oriented approach offering community edification, products promoting healthy lifestyles and "green values", and we will give back to the community in significant ways.

Wheel Fun Rentals would be happy to continue to provide our unique brand of family fun to the visitors of Kiwanis Park. We feel the offer we are presenting represents a realistic offer based on our decade of operations at Kiwanis Park as well as our experience at operating dozens of similar park locations around the country.

Let us assist in your mission to provide superior recreation opportunities and help make Tempe the best place to live, work, and play.

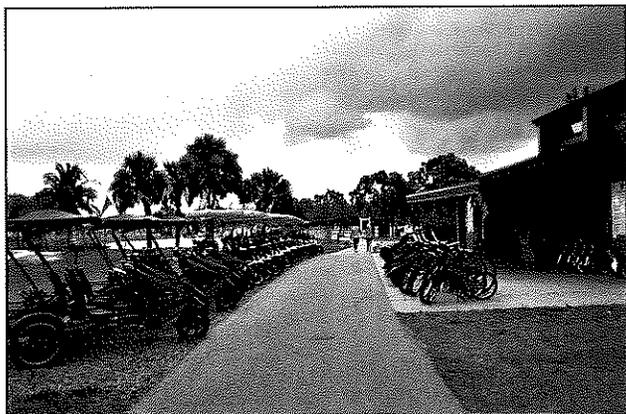
Overview of Qualifications

Below is a list and descriptions of some of the over 100 Wheel Fun Rentals Bike, Boat and Food locations.

Lakes Park - Ft. Myers, Florida -

A very popular park year-round located in Southwestern Florida, Lakes Park Bike, Boat and Food concessions have been operated by Wheel Fun Rentals since October 2005. Since opening here Wheel Fun has grown within the park to include a second rental location, an ice cream shop, and a very popular annual Pumpkin Patch that has brought thousands of people out to the park for Pumpkins, rides, games, food, and other fall fun.

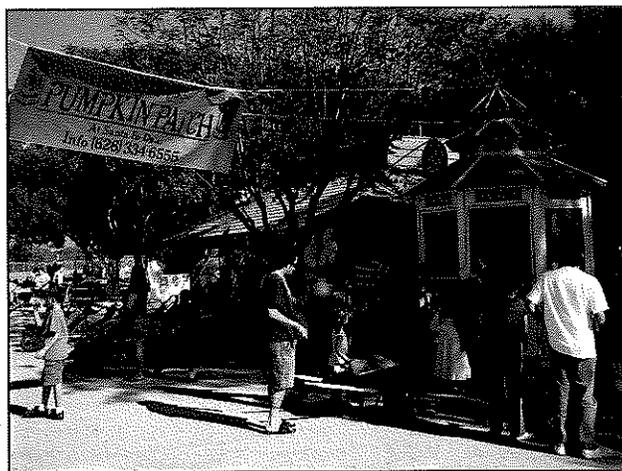
2010 Revenue exceeded \$460,000



Santa Fe Dam Recreational Area - Irwindale, California -

Located less than 30 minutes from downtown L.A. the Santa Fe Dam Recreational Area has been home to a Wheel Fun Rentals Bike, Boat and Food location since 2004. Upon taking over from the previous concessionaire Wheel Fun was able to double both the gross revenue and rent paid to LA County by providing a larger fleet of our unique products along with enhanced safety protocols and excellent customer service. In 2007 Wheel Fun began it's annual Pumpkin Patch at Santa Fe Dam which features a tractor drawn Hay Ride, an Arts & Crafts Shack, Games, Rides, and tons of Pumpkins in addition to our family friendly bikes and boats.

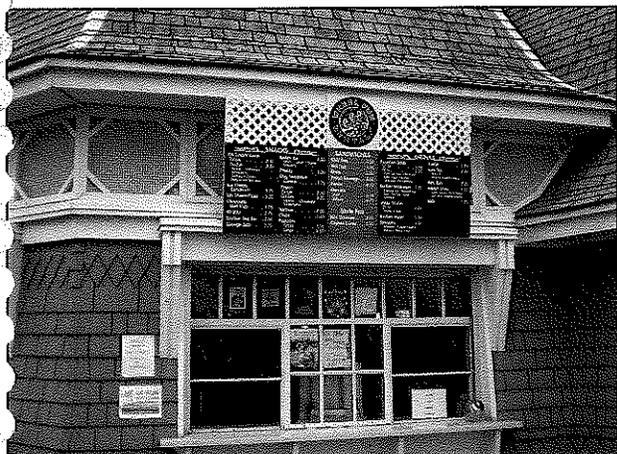
2010 Revenue exceeded \$190,000



Lake Harriet/Lake Calhoun - Minneapolis, Minnesota

In a state known for its many lakes, Wheel Fun Rentals has been providing fun many types of watercraft, bikes and tasty food and drinks since 2004 to tens of thousands of park patrons annually. In all, Wheel Fun Rentals has 5 locations in Minnesota Parks where we rent canoes, stand up paddleboards, two-wheeled bikes, Surreys and specialty bikes.

2010 Revenue exceeded \$550,000



Overview of Qualifications

Below is a list and descriptions of some of the over 100 Wheel Fun Rentals Bike, Boat and Food locations.

Doheny State Beach - Dana Point, California

Beautiful Doheny State Beach located in Orange County, California has been home to a Wheel Fun Rentals location since 2003. Year after year we are awarded a rating of "excellent" by the State of California for customer service, quality of goods and services, and cleanliness of operations. In 2007 we were awarded a 10 year contract extension by the State of California ensuring that we will be able to continue to provide the over 2 million visitors to Doheny State Beach with great beach food and fun for many more years.

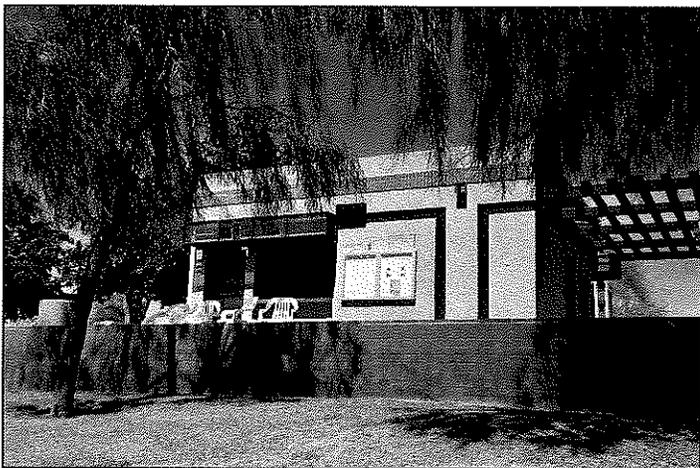
2010 Revenue exceeded \$475,000



Canal Walk - Indianapolis, Indiana

Canal Walk, a portion of the original historic Indiana Canal, in Downtown Indianapolis is a leisure destination for both locals and tourists. Since 2004 we have offered boat rentals and snacks and our sister location has offered bike rentals since 2002. Showing consistent excellence, both concession contracts were recently renewed ensuring we will be able to continue to provide our unique brand of fun to the millions of visitors who frequent Downtown Indianapolis.

2010 Revenue exceeded \$315,000



Kiwanis Park - Tempe, Arizona

Wheel Fun Rentals is proud to have been able to provide paddleboats, Surreys and specialty bikes to the people of Tempe since 2001. Although the park had a lake for boats when we arrived, it was Wheel Fun Rentals who introduced the park patrons to our popular Surreys, Quad Sports, and Choppers which have become a park fixture over the past decade.

Proposal Questionnaire - 2. Identify the key personnel and companies who compose your team. For each individual describe their relevant experience as it relates to this RFP in terms of size, costs, location dates, and level of quality. List all relevant and training and certification for key personnel.

Management summary

Debbie Carmichael - Owner Operator



Debbie has lived in Phoenix for 14 years and has operated a successful boat, bike and food concession at Kiwanis Park for the past 5 years. Debbie received her BSN from Indiana University in 1985 and is currently the Administrator for MD Home Health, one of the largest home health agencies in the valley.

She has two teenage daughters Laurin and Ashley, which is why she believes bringing affordable family fun to the community is so important.

Brian McInerney (Executive Vice President)



Brian McInerney has been a pioneer in the recreational rental field. He first imported the Surrey from Italy in 1987 and by 1989 had established five successful rental locations along the west coast. Brian created and managed both rental operations and the industry's first distribution company.

Brian's propensity for experimentation led to twelve years continued refinement of the format, locations, systems and product that work in recreational rental arenas. There is no other person with this depth of understanding in this marketplace.

Support From Wheel Fun Rentals Central



Al Stonehouse (President)

Al, former president of Diamondback Bicycles and Fitness, was a key player in building the company from under \$15 million to over \$120 million in worldwide sales. During his tenure as president, Diamondback consistently won the industry's "Top Supplier" rating.

While at Diamondback, Al's responsibilities also included over fifteen years heading product development and procurement. He founded the international sales division, which grew to over \$40 million in three years. Al created Diamondback's, fitness division; it's most profitable endeavor, and led a restructuring of risk management activities resulting in average annual savings of over \$500,000.

Al has over 10 years experience in every facet of specialty retail, including merchandising and store management.

Brian also possesses twenty years experience in every facet of commercial and investment real estate. After achieving the Top President's Club Award three consecutive years with Merrill Lynch Realty, he and an associate founded, built and eventually sold a successful multi-office real estate brokerage firm in Southern California.

In the spring of 1999, Al Stonehouse joined Brian and together they refined the national Wheel Fun Rentals concept.

In the 10 years since, Al & Brian have overseen the opening of over 100 Wheel Fun Rentals outlets in 15 States serving over 10 million customers. The outlets are found in City, County, & State Parks and Beaches, resort hotels, popular tourist attractions, and anywhere else people gather to enjoy the outdoors together. The locations range from full service food, boat, bike, and motorized vehicle locations with hundreds of thousands of dollars in rental fleets to smaller fleets of touring bikes for upscale boutique hotel properties.

Beyond the expansion of the franchise, Al and Brian have transformed recreational rentals by bringing products to the industry that are safer, more durable, and more enjoyable than previously available.

We enjoy creating a more sustainable, beneficial style of life for the communities where we do business and for our customers. Offering free rentals to Big Brothers Big Sisters and other non profits is quite rewarding. And we help millions enjoy the outdoors together, getting exercise and fresh air along with the many other quality of life benefits that come from fun and recreation.

Proposal Questionnaire - 3. List at least three (3) major accounts for which you have or now provide a food or boat or bicycle rental concession

Business references

Orange County Parks and Recreation Department
 Andrea Richard
 300 N. Flower Street 4th Floor
 Santa Ana, CA 92702
 714-834-4677
 richarda@pfrd.co.orange.ca.us

Los Angeles County Department of
 Parks and Recreation
 Joyce Gibson- Park Superintendent
 823 Lexington-Gallatin Road
 South El Monte, CA 91733
 626-575-5526

Denver Parks and Recreation Dept
 Fred Weiss- Director of Finance and Admini-
 stration
 201 W. Colfax #601
 Denver, CO 80202
 720-913-0735
 fred.weiss@ci.denver.co.us

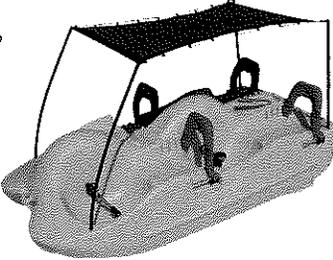
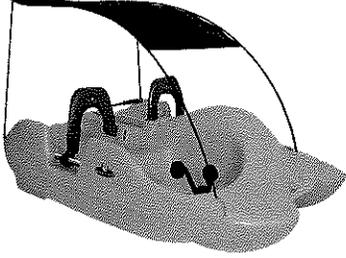
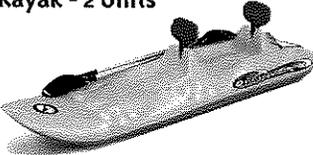
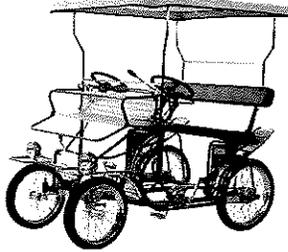
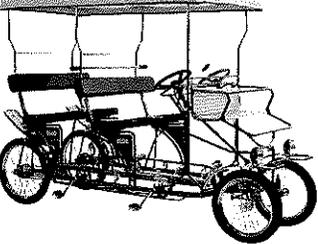
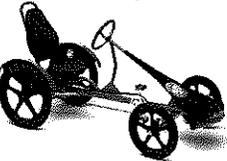
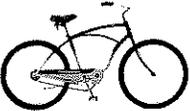
California State Parks
 Joanie Rowe- Concession Specialist
 300 Avenida Del Presidente
 San Clemente, CA 92672
 949-366-8508
 jrowe@parks.ca.gov

Los Angeles County Department of
 Parks and Recreation
 Chris Graham- Park Superintendent
 15501 East Arrow Highway
 Irwindale, CA 91706
 626-334-1065

Riviera Beach & Spa Resort
 Michael Murray - General Manager
 34630 Coast Highway
 Capistrano Beach, CA 92624
 949-248-2944

Proposal Questionnaire - 4. Provide a list of the proposed rental equipment and quantities including make, model, age and photos.

All equipment depicted below will be new or refurbished equipment

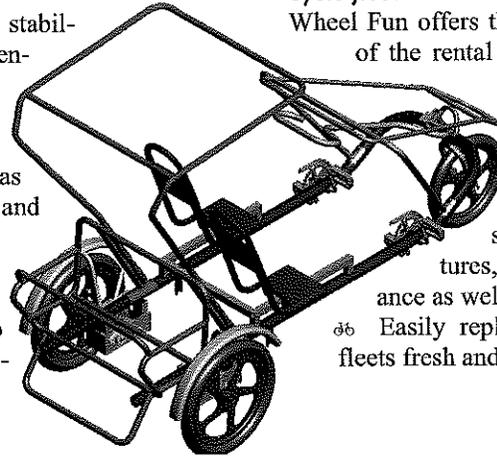
<p>Single Kayak - 4 Units</p> 	<p>4 Person Pedal Boat - 18 Units</p> 	<p>2 Person Pedal Boat - 8 Units</p> 
<p>Double Kayak - 2 Units</p> 	<p>Double Coupe - 7 Units</p> 	<p>Single Surrey - 7 Units</p> 
<p>Double Surrey - 4 Units</p> 	<p>E-Bikeboard - 4 Units</p> 	
<p>Quad Sport - 6 Units</p> 	<p>Cruiser Bike - 6 Units</p> 	<p>Slingshot - 5 Units</p> 
		<p>Chopper - 6 Units</p> 

Unique products designed for the rental market

Boat fleet

Future Beach boats offer the greatest stability available and are much easier to enter and exit than other options. The boats are self bailing so that water does not collect at the riders feet offering greater safety and comfort as well helping to keep the boats clean and presentable.

Kayaks are double hull design offering greater stability. This design also steers straighter benefiting inexperienced kayakers.



Cycle fleet

Wheel Fun offers the only fleet designed for the rigors of the rental market. We couldn't find product that held up in the tough rental environments, so we developed our own.

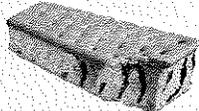
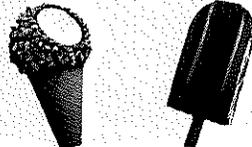
- ⊕ Designed from the ground up for greater safety and reliability.
- ⊕ A family of products that share identical styles, parts and features, assures a professional fleet appearance as well as easier serviceability.
- ⊕ Easily replaceable "skin coverings" keep the fleets fresh and professional.

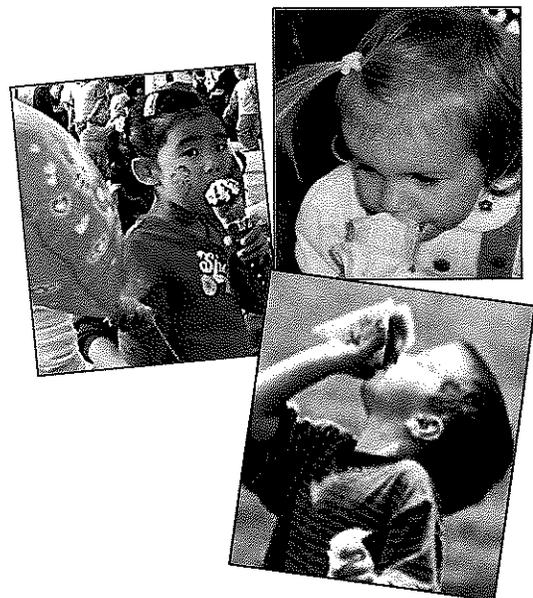
Proposal Questionnaire - 4. Provide a detailed list of all food, beverages, and sundry items you wish to sell.

Beverages, ice cream and snacks

- ⊕ Our plan will be to sell beverages, ice cream, chips, and healthy snacks.

Snack Bar Menu

Ice Cream	Snacks
	
Strawberry Shortcake 2.00	Chips Assorted 1.00
Ice Cream Sandwiches	Corn Nuts 1.00
Big Double Strawberry, Neapolitan & Big Vanilla 2.00	Pickles, Candy & Popcorn 1.00
Vanilla Crunch 2.00	
Jolly Rancher 2.00	Soda - Pepsi, Diet Pepsi, Wild Cherry Pepsi, Mountain Dew & Sierra Mist 2.00
Drumstick 2.00	Gatorade All Flavors 2.00
Push-up Pops All Flavors 2.00	Bottled Water 2.00
Fruity Pops All Flavors 1.00	
	



Ice Cream down by the lake

Proposal Questionnaire - 5. List your major food and beverage sources by name.

<u>Company</u>	<u>Contact Person</u>	<u>Phone</u>
Costco Wholesale		(480) 496-6691

Proposal Questionnaire - 6. Do you currently own the minimum required number of rental boats (15)? Yes No
 Provide a description of your current boat inventory. Include make, model, year, color, condition, and pictures of rental boats. All boats must meet local, state and Federal boating regulations.



As shown on page 4 and in this photo Wheel Fun Rentals already has a fleet of colorful, attractive, and clean boats in place at Kiwanis Park exceeding the minimum number required. Additionally, Wheel Fun Rentals has more boats available to meet any additional demand (but not to exceed the maximum allowed). All boats meet local, state, and Federal boating regulations.

Proposal Questionnaire - 8. Submit a copy of your boat rental regulations and operating procedures.

Safety is a main priority for Wheel Fun Rentals. In addition to the staff training and safety protocols outlined on page 10 and in our attached Employee Training and Reference manual, the signage shown here will be posted at the concession building and at the boat dock for boat and bicycle rentals. In addition all staff are extensively trained in boating, bicycle, and general safety including First Aid, CPR, and State of Arizona Boating safety certification. Verbal instructions will be given to all passengers prior to departure. These instructions can be found on page 8 of our rental agreements for boats and bicycles.

Boating Guidelines Sign

Bicycle Guidelines Sign

If you do not receive an accurate receipt your rental is **FREE**



Territorios de franquicia están disponibles
 Solicite información por dentro

Rental Guidelines

- **Valid Photo I.D. Required**
- **All Rentals One-hour minimum**
After first hour all rentals are prorated in 15 minute increments.
- We do not offer refunds for weather.
- **Damaged goods:** - You will be charged for product damaged during your rental.

Be Safe:

- **ALL boaters must wear life jackets at all times.**

Boat Capacities:

- Water Bee 200s (Small) - Maximum 2 people
- Water Bee 400s (Large) - Maximum 4 people
- Double Kayak- Maximum two adults
- Single Kayak- Maximum one adult passenger

Navigating:

- Do not pull the boat on shore or exit the water from anywhere except the dock (you must be at the shoreline or the boat wheel/rudder).
- Passengers should only be dropped off at the dock.

Review Release of Liability Agreement for full rental. All equipment is rented subject to the rules. Failure to obey is subject to immediate termination of rental.

Franchise Territories Available

If you do not receive an accurate receipt your rental is **FREE**



Rental Guidelines

- **All Rentals One-hour minimum**
After first hour all rentals are prorated in 15 minute increments.
- We do not offer refunds for weather. **Rain Checks Only.**
- **Damaged Goods** -You will be charged for product damaged during your rental.

Be Safe:

- Helmets & other safety equipment offered FREE. We recommend you wear them.
- Anyone under 16 must wear seat belts.
- Ride safely, use common sense, and obey all traffic laws.
- Please be certain you receive and read the riding instructions prior to departure.

Review Release of Liability Agreement for full rental. All equipment is rented subject to the rules. Failure to obey is subject to immediate termination of rental.

Si no recibe comprobante de venta, su renta es **GRATIS**



Territorios de franquicia están disponibles
 Solicite información por dentro

Reglas de Renta

- **Se requiere tarjeta de identificación válida con foto.**
- **Una hora mínima de renta en todo nuestro producto.**
Después de una hora las rentas se cobraran en incrementos de 15 minutos.
- **No hay reembolsos por causa de mal tiempo.** En caso de mal tiempo, se dará un crédito para uso futuro.
- **Producto Dañado** - Cualquier producto que se dañe a cause de su negligencia será cobrado junto con su pago de renta.

Sea Cuidadoso:

- Los cascos y los otros equipos de seguridad son ofrecidos gratuitamente sin costo a usted. ¡Nosotros lo recomendamos!
- Personas que tengan menor de 18 años deben utilizar los cascos de seguridad - **Ley del Estado de California.**
- Monte con seguridad, utilice el sentido común, tenga cuidado de otros, y obedezca todas las señales y reglas de trafico.
- Favor de estar seguro/a que usted ha recibido y entendió las **instrucciones de montar** nuestro producto antes de rentar.

Favor de leer y entender el renuncio de responsabilidad y los términos y condiciones de su renta. Todo el equipo se renta de acuerdo a las reglas de operación. Si no se observan las reglas, su renta será terminada de inmediato sin devolución de su dinero.

Boating Safety Instructions given to all boat renters



Boats & Kayaks

SAFETY INSTRUCTIONS

Make certain everyone is ready for instructions.
Make sure you have full eye contact.

- All boaters must wear lifejackets at all times.
- Please stay seated in the boat at all times and Do not stand up in the boat.
- Do not exit the boat anywhere other than at the dock with our assistance.
- Do not beach the boat, as you may damage the boat wheel or rudder. Please return to the dock to drop off or pick up passengers.
- Small Pedal Boats - Maximum two adults per boats. No exceptions!
- Large Pedal Boats - Maximum four adults per boat. No exceptions!
- Small Kayaks - One Person - No exceptions!
- Large Kayaks - Two Persons - No exceptions!

□ When the wind is blowing, recommend boaters initially pedal into the wind.

Thank you for complying with all safety instructions!



Boats & Kayaks

SAFETY INSTRUCTIONS - Spanish

Make certain everyone is ready for instructions.
Make sure you have full eye contact.

TODAS Personas tienen que usar chaleco de salvavidas a todo el tiempo.

CAPACIDAD DE BOTES:

Bote Pequeñas: Maximo dos adultos y un hijo menor de nueve por bote. No excepciones!

Bote Grande: Maximo cuatro adultos y un niño menor de nueve (9) por bote. No excepciones!

Kayak Doble (Grande): Maximo de dos personas en bote

Kayak Singular (Chico): Maximo de una persona en bote

(Verify this rule is being followed.)

REQUISITO DE EDAD:

Tiene que estar por lo menos una persona de 16 años o mas en el bote

Por lo menos UNA persona de 12 años o mas en kayak.

(Verify this rule is being followed.)

No desembarquen el bote en la orilla de agua, puede causar dano al bote. Por favor regresen aqui para dejar or recoger pasajeros.

(If the wind is blowing, recommend boaters initially pedal into the wind.)

Gracias por cumplir con las instrucciones de seguridad!

Cycle Safety Instructions given to all bike renters



For Surrey

SAFETY INSTRUCTIONS - SPANISH

Make certain everyone is on the Surrey; ask if they are "ready for riding instructions" Make sure you have full eye contact.

El freno esta localisado al lado del volante. Por favor use el freno todo el tiempo cuando esta bajando una subida. Practique y ponga se comodo usando el freno antes de conducir. (show use).

Para todas las personas en las posiciones de pedalar - para no atorar sus pies en medio de los pedales y el frame - mantenga sus pies en los pedales todo el tiempo cuando van adelante. (go around Surrey and show where not to put feet on top of chainguard). No descansen sus pies en las partes del Surrey.

Para todas las personas en las posiciones de pedalar - cuando ya a reversa por favor ponga sus pies en el suelo lejos de los pedales y cranks, no en el frame o la cadena, y empuje al revz. (go around Surrey and show where not to put feet on top of chainguard) Los pedales se voltean al revz y le pueden golpear. Miren esta foto. (show occupant the foot safety decal).

- Maximo de tres personas por asiento, no se sienta al lado, no se parren y no se cuelgen aferra.
- Obedescan todas las reglas del camino, no corran muy fuerte y cuidado con coches y personas.
- Usen cascos y articulos de seguridad.
- Seguren sus billeteras si estan en sus bolsas de atras.



For Specialty Product & Cycles

SAFETY INSTRUCTIONS

Make certain everyone is on the cycle(s); ask if they are "ready for riding instructions" Make sure you have full eye contact.

This unit has pedal brakes (or handbrakes if bicycle). Please use the brakes at all times when going down hill. Practice and become comfortable with the brakes before beginning your ride.

No extra riders, no sidesaddle, no standing & no hanging on the outside.

Obey all rules of the road, maintain safe speeds and watch for cars & pedestrians.

Recommend helmets & safety gear

Thank you for complying with all safety instructions!

Proposal Questionnaire - 9. Do you currently own the equipment required for the food concessions? Yes No
Provide a listing of the equipment that you will install or purchase at the food concessions. Include equipment description, cost, and indicated whether the equipment will be Concessionaire-owned or provided by food supplier.

Wheel Fun Rentals currently owns all of the equipment that we will be utilizing for food concessions. These items consist of:

- 2 Ice Cream Freezers
- 1 Drink Refrigerator
- 1 Ice Cream Pushcart

Total Concession Equipment Cost - \$4000

Proposal Questionnaire - 10. What is the estimated lead-time to install or required concession and boating/bicycle equipment and become fully operational after contract award? **0 days**

As stated in our introduction, as we have been operating in Kiwanis park for nearly 10 years we are ready and able to continue providing our special brand of fun to the Kiwanis Park patrons.

Proposal Questionnaire - 11. Provide a schedule of your operation's proposed hours of operation throughout the entire year.

Wheel Fun Rentals always strives to exceed the minimum required hours of operation for concessions at all of our locations including Kiwanis Park. We will continue to exceed minimum hours and also be available for reserved group functions outside of our normal hours of operations any day of the year.

Hours of Operation

January	Saturday, Sunday & Holidays 9AM-6PM
February	Friday, Saturday, Sunday & Holidays 9AM-6PM
March	Friday, Saturday, Sunday & Holidays 9AM-6PM
April	Friday, Saturday, Sunday & Holidays 9AM-6PM
May	Friday, Saturday, Sunday & Holidays 9AM-6PM
September	Saturday, Sunday & Holidays 9AM-6PM
October	Friday, Saturday, Sunday & Holidays 9AM-6PM
November	Friday, Saturday, Sunday & Holidays 9AM-6PM
December	Saturday, Sunday & Holidays 9AM-6PM

Clearly visible hours of operation signs will be posted year-round at the concession building



Hours of Operation
Open Sat, Sun and Holidays
9am-6pm

For a complete list of rental locations, prices and hours, please visit
www.wheelfunrentals.com

(623) 521-8894



Hours of Operation
Open Fri, Sat, Sun and Holidays
9am-6pm

For a complete list of rental locations, prices and hours, please visit
www.wheelfunrentals.com

(623) 521-8894

Why Wheel Fun Rentals

Fun is our middle name and we provide as much fun to as many people as possible. We've been in this business a long time and understand the importance of recreation programs and leisure services for all ages. We pride ourselves in well-trained staff members who carry a professional appearance. And, most importantly, we deliver a great family, outdoor experience.

Established in 1987, Wheel Fun Rentals is the premier recreational rental company in the United States. With over 9 million happy customers, Wheel Fun does business with numerous cities, parks and recreational facilities, as well as resorts and hotels with over 100 locations across the Country.



As represented in our logo, we offer good, clean family fun for all ages from toddlers to grandparents. We know the value of investing in top quality equipment designed for the rigors of rentals. In fact, because no commercially available equipment exists we design and import our own products. Our fleet of unique vehicles provide unparalleled outdoor recreation for sightseeing, people watching and a touch of exercise that will enhance any leisure time experience.

To assure we maintain excellence, and because we make a sizeable investment in many of our locations, we open a limited number of new locations each year.

We add enjoyment everywhere we go

Adding to the park experience

Wheel Fun will mirror seasonal trends and be open for operation from 9AM-6PM weekends and holidays as per our scheduled hours of operations on page 9, during spring break and winter break (weather permitting). In addition we will be happy to accommodate special group reservations any day of the year. Our goal is to integrate into Kiwanis Park to provide recreational services and support the leisure needs of the community and visitors.

We will:

- Partner with Kiwanis Park on programs that target the general population but also programs that develop character in youth, support the handicapped, and generally improve one's level of physical fitness and overall sense of well-being.
- Support the efforts of Kiwanis Park by providing activities for citizens to improve their health, and consequently their productivity and longevity. We will

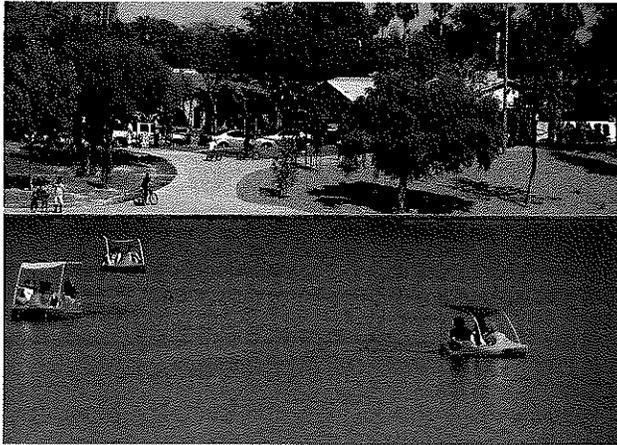


also help create a quality of life that attracts prospective citizens, business and industry.

- Develop teambuilding programs that support business and groups to utilize services that might include Surrey cycle scavenger hunts, skill competitions, Cycle Olympics, etc.
- Implement special bike theme days for kids camp, YMCA, Boys & Girls Clubs, Big Brothers Big Sisters, Scouts and other similar non profit entities.
- Every effort is made to integrate participants with disabilities into the programs, allowing for a successful recreational experience.
- Provide a source of information for park and beach patrons with helpful, history familiarity and directions.

Human resources

- ⌘ Wheel Fun Rentals will recruit, employ, train, direct and properly supervise a sufficient number of employees to accommodate community and visitor needs.
- ⌘ Staff will meet all professional grooming and appearance standards and will wear a uniform consisting of WFR logo club style shirt, navy shorts/slacks and tennis shoes.
- ⌘ Staff will go through extensive Wheel Fun Rental training in addition to the State of Arizona certified online boating safety course.
- ⌘ Wheel Fun is accredited/ approved to offer college internships.



Professional promotions

- ⌘ Wheel Fun Rentals will provide professional signage and support, as needed, to include rental rate and instruction signs, product brochures with rental information, directional signage throughout the park, and logo signs for rental building.
- ⌘ Wheel Fun Rentals will place ads in local family publications and network with local businesses increasing community use and enjoyment.
- ⌘ We will join local business associations, including the Chamber of Commerce.
- ⌘ Wheel Fun Rentals has created a customized web page for the Kiwanis Park location.

Wheel Fun Rentals

Mission Statement

- ⌘ **Provide innovative quality products and services that create exceptional customer experiences.**
- ⌘ **Maintain a pleasant work environment that encourages excellence from all our staff and develop a successful team through solid training and effective communication.**

Philosophy

Wheel Fun is committed to the following principles:

- ⌘ **Remain responsive and flexible in our approach to concessions.**
- ⌘ **Provide customers with the opportunity to enjoy their surroundings.**
- ⌘ **Maintain clear definitions of individual and company goals.**
- ⌘ **Encourage open channels of communication at all levels so that teamwork and enthusiastic participation of all associates remains constant.**
- ⌘ **Support active, healthy lifestyles for our customers and maintaining a healthy environment for all.**

Top notch operations

Staff caliber

All of our staff receives extensive training, based on our exclusive 40-page Reference & Training Manual and DVD. Regular inspections and reward systems consistently reinforce professional standards. A local Wheel Fun manager will oversee daily operations.

Daily rental data

Daily P.O.S. system reporting optimizes product utilization and increases service levels.

Product maintenance and support

Regular product maintenance and refurbishing assures a fresh sparkling fleet.

Trained mechanics assure safety, high levels of customer satisfaction and 98% operational product levels.

Complete distribution center assures availability of fleet product and service parts.

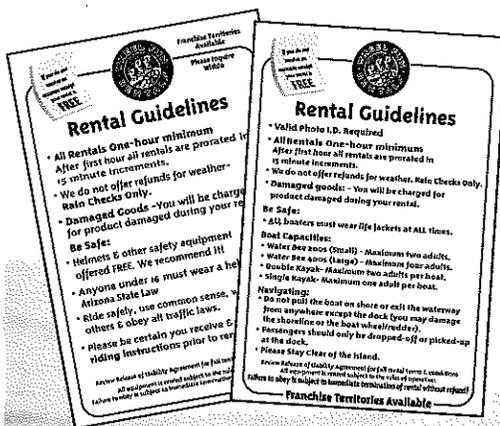
Full service parts inventory in each rental location supported by our automated replenishment system.

Mini service center outfitted with a full range of specialty cycle tools in each location.

Our product partners

We have established special partnerships with Schwinn Bicycles and Future Beach pedal boats to assure consistent supply of the best ancillary product available.

Wheel Fun Rentals Corporate Office and Distribution Center



Insurance & public safety

Rider safety and user information instructions will be given to each group before departure, as part of our comprehensive risk management process.

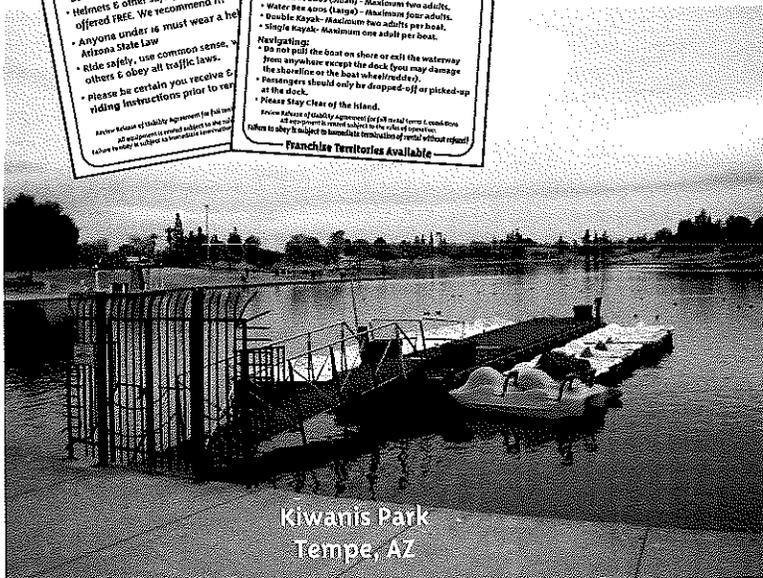
Personal Flotation Devices and helmets & locks are made available to all users at no additional charge.

Wheel Fun Rentals will provide comprehensive liability insurance with limits of liability not less than \$5,000,000 per incident, with a \$10,000,000 aggregate limit. Wheel Fun Rentals will also name all related entities as additionally insured.

Wheel Fun will provide a release form for all guests to sign.

Routine maintenance and safety checks are conducted on all equipment daily with product maintained to highest standards.

Secured storage eliminates the temptation of vandalism.

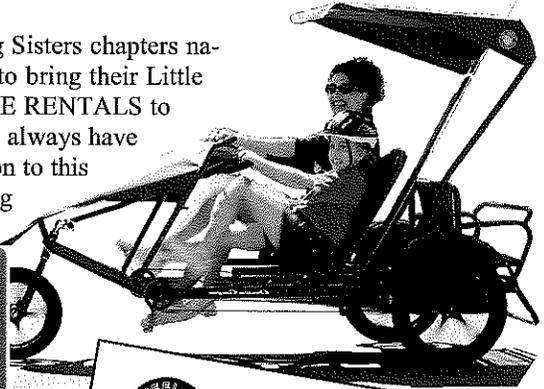


Community support

We actively support the communities where we do business. Donations exceeding three hundred fifty thousand dollars including activity time to schools, charities, fundraisers and numerous underprivileged, disabled and disadvantaged groups.

big brothers big sisters biking buddies program

Wheel Fun Rentals is proud to have introduced a program for Big Brothers/Big Sisters chapters nationwide. The "Biking Buddies" Program entitles the Big Brothers and Sisters to bring their Little Brothers and Sisters to any of our rental locations, where they will receive FREE RENTALS to enjoy together. This program ensures that the Big Brother and Sister volunteers always have something fun, fit and FREE to do with the children that they mentor. In addition to this ongoing program, Wheel Fun Rentals also sponsors annual Big Brothers/Big Sisters gatherings at our locations.



Big Brothers Big Sisters of San Diego County

July 29, 2008

Ms. Heidi Goodspeed
Marketing Support
Wheel Fun Rentals
452E Telephone Rd. #202
Ventura, CA 93003

Dear Ms. Goodspeed,

On behalf of Big Brothers Big Sisters of San Diego County, thank you for the very generous donation of unlimited use of Wheel Fun Rentals for matches. We appreciate your thoughtfulness and support of the children and families we serve.

Through your contribution, you are enabling Big Brothers Big Sisters to continue providing safe opportunities for children to find supportive, caring mentors. A mentor helps a child discover a world of possibilities through the friendship and one-on-one time spent with the child. Your gift help these children to gain the confidence and skills needed to live happy, healthy and fulfilling lives.

Thank you for your support of Big Brothers Big Sisters of San Diego County. Having a caring adult role model is truly making a difference in the lives of many children.

Your contribution is a significant help and we truly are grateful for this assistance. For tax purposes, our federal tax identification number is 95-2151526.

Sincerely,
Paul E. Palmer
Paul E. Palmer
President/CEO

Join us in supporting
Big Brothers Big Sisters
Wheel Fun Rentals

Big Brothers Big Sisters of Northeast Florida

"Biking Buddies" VIP CARD

This card good for a: Free Rental*

Multi-Use Card
Limit 1 rental per person per day.
(only valid if "big" and "Little" are present)

*parking fees may apply.
Not valid on holidays. No Cash value.
Not valid with any other offer.

Wheel Fun Rentals & Big Brothers Big Sisters

The "Biking Buddies" Program

Big Brothers Big Sisters of Northeast Florida

Wheel Fun Rentals appreciates the things that you do and to show our appreciation, we are giving all the Big Brothers and Big Sisters of Northeast Florida UNLIMITED FREE RENTALS to enjoy with their Little Brothers and Little Sisters when they take advantage of our new "Biking Buddies" Program.

So, what is "Biking Buddies"? It is a program designed just for you! This program allows Big Brothers and Big Sisters to bring their Littles to any of our locations and get a FREE RENTAL! The Bigs will receive a free multi-use VIP card*. So, go get your Little and come join us for some FREE fun today!

Just wanted to thank you again for hosting my little sis (Amber) and me on Saturday.....you brightened our day with your generosity and we appreciate it! Can't wait to come back soon!!!!

Xoxox Jen Sewell



My Little Brother and I had a great time riding around downtown Saturday. We plan on visiting you again in the near future, especially this summer.

Chris Procello

My little Brother and I had a great time. I haven't heard him laugh like that in a while, we had a blast!! Aloha,

Greg Leasure

My little sister and I had a blast this past Saturday. Thanks for donating the time for us bigs & littles to have some fun.

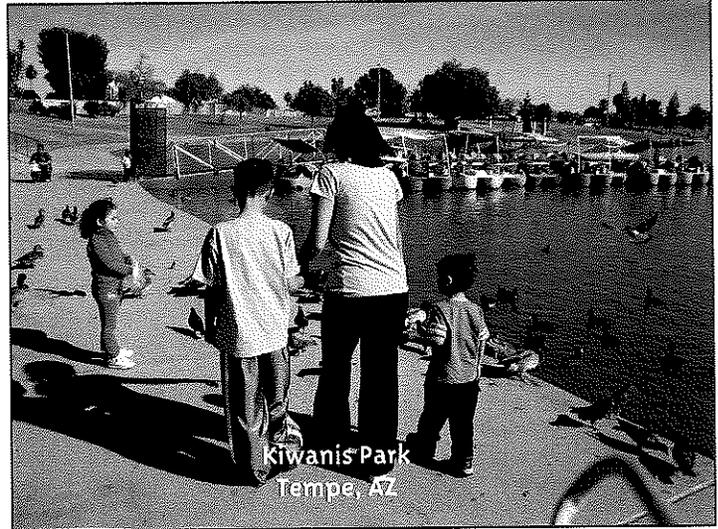
Martie Solomon

financials

enhancing Park & Recreation budgets

Wheel Fun Rentals will handle the following areas of responsibility and related expense:

- ⌘ Cost of equipment, repairs, replacement parts and tools
- ⌘ Cost of product refurbishment and product replacement
- ⌘ Risk management and insurance
- ⌘ Advertising, promotions and public relations
- ⌘ Logos and signage
- ⌘ Staffing, training and management
- ⌘ Payroll, taxes and related employee expenses
- ⌘ Accounting and auditing
- ⌘ Licenses and permits as required
- ⌘ Rental and storage buildings as necessary
- ⌘ Opening costs including locations set-up



Cash Flow Projection Wheel Fun Rentals

Starting date
Cash balance alert minimum

	Beginn ing	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Total
Cash on hand (beginning of month)		0	2,239	7,082	15,818	24,287	22,830	21,900	20,970	20,040	22,391	22,058	22,468	
CASH RECEIPTS														
Cash sales		7,500	11,000	16,500	16,000	2,000				7,000	3,500	4,500	2,000	70,000
TOTAL CASH RECEIPTS		7,500	11,000	16,500	16,000	2,000	0	0	0	7,000	3,500	4,500	2,000	70,000
Total cash available		0	7,500	13,239	23,582	31,818	26,287	22,830	21,900	20,970	27,040	25,891	26,558	24,468
CASH PAID OUT														
Advertising		100	100	100	100	100	100	100	100	100	100	100	100	1,200
Royalties		525	770	1,155	1,120	140	0	0	0	490	245	315	140	4,900
Insurance (other than health)		263	385	578	560	70	0	0	0	245	123	158	70	2,450
Interest expense														0
Purchases for resale		658	722	1,019	904	164	0	0	0	165	182	202	14	4,028
Rent or lease		650	790	1,010	990	430	350	350	350	630	490	530	430	7,000
Rent or lease: vehicles, equipment		330	330	330	330	330	330	330	330	330	330	330	330	3,960
Repairs and maintenance		100	100	100	100	100	100	100	100	100	100	100	100	1,200
Supplies (not in COGS)		50	50	50	50	50	50	50	50	50	50	50	50	600
Taxes and licenses		698	1,023	1,535	1,488	186	0	0	0	651	326	419	186	6,510
Utilities														0
Wages (less emp. credits)		1,888	1,888	1,888	1,888	1,888	0	0	0	1,888	1,888	1,888	1,888	16,992
SUBTOTAL		5,261	6,158	7,764	7,530	3,458	930	930	930	4,649	3,833	4,091	3,308	48,840
Loan principal payment														0
Capital purchases														0
Other startup costs														0
To reserve and/or escrow														0
Ow ners' withdrawal														0
TOTAL CASH PAID OUT		5,261	6,158	7,764	7,530	3,458	930	930	930	4,649	3,833	4,091	3,308	48,840
Cash on hand (end of month)		0	2,239	7,082	15,818	24,287	22,830	21,900	20,970	20,040	22,391	22,058	22,468	

Profit Loss Projection For Year 1 of Operation

Ordinary Income/Expense	Year 1
Income	
Rental Operations	
Concession Sales	15,000.00
Rental Operations - Other	55,000.00
Total Rental Operations	<u>70,000.00</u>
Total Income	70,000.00
Cost of Goods Sold	
COGS - Product Sales	
Concession Goods	4,500.00
Total COGS - Product Sales	<u>4,500.00</u>
Total COGS	<u>4,500.00</u>
Gross Profit	65,500.00
Expense	
Rental Operation Expenses	
Advertising	1,200.00
Office Supplies	600.00
Equipment/Parts	1,200.00
Sales Tax	6,510.00
Salaries & Taxes	17,000.00
Rent	7,000.00
Meals & Misc.	1,000.00
Credit Card Charges	420.00
Equipment Rental	3,960.00
Worker's Comp	910.00
Liability Insurance	2,800.00
Printing and Reproduction	1,200.00
Franchise Royalties	4,900.00
Total Expense	<u>48,700.00</u>
Net Income	16,800.00

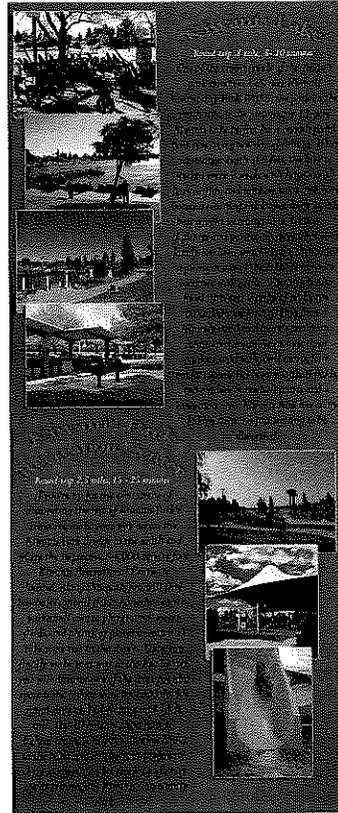
As WFR has operated in Kiwanis Park for several years we are knowledgeable of the costs involved in operating at the park.

A Break Even Analysis suggests that to clear the \$28716 in fixed costs we would need to rent 1689 items at an average of \$17/item.

Proposal Questionnaire - 13. Provide a proposed marketing plan for five (5) years of operation. The plan should identify the potential markets to draw from, marketing methods, ways to generate income during off-season times and a marketing strategy for all operations

Advertising that draws

Website - Wheel Fun Rentals has created a customized webpage relaying hours of operations, rental rates and other concession information.



Brochures

Distribution in local hotels, restaurants and retail outlets.

Advertisements

Placed in tourist, family and entertainment publications.



Key Demographics

Drawing crowds to Parks and Beaches:

41% of customers report making a decision to rent spontaneously.

26% report making the decision to rent based on advertising (all sources combined)

10% who report being brought to the rental outlet by family/friends.

Based on survey results, Wheel Fun Rentals customers are:

Gender:

About even (50/50) male/female;

Age:

Adult Customers (those who pay as well as rent)

About 50% under the age of 35, and 1/3 who are 40 or older.

Minors (those who use equipment)

50% between the ages of 10 and 14

Party size

Rent product in an average party size of 3.6 people; Over half (53%) of whom come with at least 1 or more children under 18

Reason:

Visiting the area on vacation or a getaway

15% Vacation/getaway

85% who live in the area

Proposal Questionnaire - 14. Provide proof of financial stability.

As shown by the financial statement below Debbie Carmichael and Valley of the Sun Bikes possesses the financial stability and wherewithal to purchase the necessary equipment and begin the marketing campaign for Wheel Fun Rentals at Kiwanis Park.

Debbie Carmichael

Phone 623-780-8597

PERSONAL FINANCIAL STATEMENT – July 2010

ANNUAL INCOME:

SALARIES	\$485,000	
RENTAL PROPERTY INCOME	\$ 0	
TOTAL INCOME		\$ 485,000

CURRENT ASSETS:

CASH IN BANK	\$ 60,000	
AUTOS	\$ 30,000	
NOTE RECEIVABLE	\$ 0	
INVESTMENTS/RETIREMENT	\$ 75,000	
LIFE INSURANCE: (Beneficiary)	\$ 25,000	
VALLEY OF THE SUN BIKES	\$200,000	

FIXED ASSETS:

RESIDENCE	\$ 550,000	
RENTAL PROPERTY	\$ 0	
TOTAL ASSETS		\$940,000

CURRENT LIABILITIES:

INCOME TAXES UNPAID	\$0	
---------------------	-----	--

LONG TERM LIABILITIES:

MORTGAGE PAYABLE	\$ 532,000	
RENTAL PROPERTY MORTGAGE	\$0	
TOTAL LIABILITIES		\$ 532,000

See Addendums for more detail.

Addendum 1 - Franchise manual chapter 5

Addendum 2 - DVD Menu Screen

Addendum 3 - Employee Handbook

Addendum 4 - Employee Training & Reference Manual

Proposal Questionnaire - 16. Describe how you will comply with City of Tempe, county, state and Federal health requirements, building codes, boating regulations and A.D.A. (Americans with Disabilities Act) regulations.

Wheel Fun Rentals will meet all City of Tempe, Maricopa County, State of Arizona and Federal requirements codes and regulations. All staff members will complete an online boating safety certification course, First Aid and CPR certification. Copies of certification will be provided upon award of the contract. Additionally all employees will undergo extensive employment screening meeting all requirements of this RFP and the City of Tempe. Wheel Fun Rentals at Kiwanis Park has always met city, state, and county health requirements and will continue to do so. As Wheel Fun Rentals has no intention of modifying the existing concession building we will continue to meet all building codes. Finally, Wheel Fun Rentals has always met all ADA regulations for hiring and employment and will continue to do so.

Proposal Questionnaire - 17. Has your firm ever been found to have health and/or safety violations in regards to your vending operations? Yes _____ No X

Proposal Questionnaire - 18.

14. Does your firm accept all terms and conditions of this RFP?

Wheel Fun Rentals accepts the terms and conditions of the RFP. We are proud to have been a part of Kiwanis Park for almost 10 years and wish to continue to provide the people of Tempe with our family friendly goods and services for many years to come.

Proposal Questionnaire - Vendor's Offer

PRICING SECTION (REVISED 1/6/2011)

ITEM NO.	DESCRIPTION OF REQUIRED MATERIAL, SERVICE OR CONSTRUCTION	PRICING
1.	Kiwanis Lake Boating and Bicycle Rental / Food Concession Proposed rent to the City	\$ <u>350.00</u> per month for concessions
2.	Compensation	\$ <u>1.00</u> per boat and bicycle rental
		Or
		_____ % Gross Sales

* Applicable Tax _____ %



CONCLUSION

Wheel Fun Rentals' presence will serve to benefit the community as it has done for nearly 10 years. We will continue to provide our unique brand of family fun to the park patrons of Kiwanis park through quality goods and services.

We believe our dedication, expertise, and proven track record of quality incumbency ensures a smooth start-up and a successful, well-maintained operation for years to come. We look forward to the opportunity to continue to demonstrate this dedication to quality and service.



Wheel Fun Rentals
Debbie Carmichael
4839 W. Desert Hollow Drive
Phoenix, AZ 85083
623-297-0436

www.wheelfunrentals.com

Addendum 1 - Franchise manual chapter 5

Section

Disciplining Your Team

Subject

IMMEDIATE DISMISSAL

PURPOSE

To provide you with suggested reasons for immediately dismissing a team member.

OVERVIEW

Immediately dismissing a team member on certain grounds will stop that person from causing further damage to your operation.

**GROUND FOR
IMMEDIATE DISMISSAL**

We suggest that you have a zero-tolerance policy for certain behaviors that are destructive to your store, to customers, or to other team members. Read the list below to get a sense of the types of behaviors that are unacceptable, and which may not deserve the second chance of the three-step process (See Document Number 05-06-04).

CAUSING HARM

Refer to the following list for examples of behaviors that do or could cause harm to customers, other team members, or your store:

- Abuse of company property or the property of others, or misuse of the same
- Conviction of a felony on a job-related offense
- Creating a hostile workplace for team members
- Deliberately allowing damage to occur to company property
- Delay or failure to provide information necessary to the safe and efficient operation of the business
- Fighting
- Harassing other team members

- Possession of a weapon while on duty or on company premises
- Possession, sale, use, or encouragement of the use of controlled substances, in, around, or on company property while working or representing the company in any capacity
- Speeding or unsafely operating a vehicle while on the clock
- Unsafe conduct in any form
- Violation of the alcohol policy

STEALING
AND DISHONESTY

Stealing and dishonesty in any form is unacceptable, including violations of cash control policies of any kind as well as abuse of time, such as cheating on breaks or hours worked or falsifying time records.

PRESENTING AN
UNPROFESSIONAL IMAGE

Refer to the following list for examples of the types of unprofessional behaviors that may be disruptive to Wheel Fun's image or may prevent the team member from carrying out assigned duties:

- Behavior that casts a negative light on the company
- Conviction of a felony on a job-related offense
- Disrespect and other improper behavior toward a customer
- Excessive tardiness or absenteeism
- Failing to show up for work
- Failure to maintain confidentiality
- Flagrant violation of company policy
- Immoral or indecent behavior
- Improper conversation, dress, or appearance
- Insubordination
- Loss of driving privileges or loss of insurance

Section

Disciplining Your Team

Subject

DISCIPLINARY ACTION FORM

PURPOSE

To provide you with a form we use to document disciplinary actions and their results.

OVERVIEW

You may use this form as is or adapt it to meet your needs. Remember, however, to document the verbal warnings as well as the written warnings.



Wheel Fun Rentals
Disciplinary Action Form

Date		Employee Name	
Department		Date of Hire	

Reason for disciplinary action:

Result of disciplinary action:

Unexcused absence		Termination	
Harassment		Suspension w/pay	
Theft		Suspension w/o pay	
Falsified records		Verbal warning	
Dress code violation		Written warning	
Other - explain		Other - explain	

Comments:

Signature of Manager

Date

Signature of Employee

Date

Section

Recruiting Your Team

Subject

STAFFING YOUR FRANCHISE

PURPOSE

To provide you with guidelines for staffing your franchise during the opening stages.

OVERVIEW

Staffing your franchise effectively means balancing the need to reduce overhead with the need to provide excellent customer service. We suggest that you follow the guidelines below, and then change them to meet your needs when you get a better feel for the requirements of your locations.

**USING YOUR TIME
WISELY**

We suggest that you give one third to one half of your time to running your hub and divide the balance between running your spokes and taking part in networking and promotional activities. Opening new spokes and training new staff may temporarily affect your schedule.

**STAFFING
YOUR HUB**

Warm Climates

Your staffing needs will change depending on the time of year and where your franchise is located. We suggest that you plan for a larger team in warm climates where your hub is open year-round and you face few off-season weeks. In-season staffing levels in such locations usually means a lead person or manager, a mechanic, and two to five full- and part-time clerks. During off-season, reduce the staff to a mechanic, a lead person, and maybe one other team member.

Cold Climates

You may need to further reduce or completely cut your off-season team in cold weather climates.

STAFFING
YOUR SPOKES

Warm Weather

We suggest that you adjust the staffing levels of your spokes to the time of year and where your franchise is located. In-season staffing levels in warm climates usually mean a lead person and one to three additional full- or part-time clerks. Consider limiting your off-season hours to holidays and weekends, or even closing down for a while. Spoke locations with reduced hours can be staffed by just a lead person.

Cold Weather

Franchisees in cold weather climates usually cut their team altogether during the off-season.

PAYING YOUR TEAM

When first opening your franchise, we suggest these guidelines:

- φ Pay your full-time clerks in a range between minimum wage to 50% over minimum wage, though this may vary depending on market conditions.
- φ Part-time clerks frequently earn between minimum wage to 20% over minimum wage.
- φ The pay for lead persons or managers will vary depending on their experience, their duties and responsibilities, the size of your territory, and market conditions. Consider paying them twice the minimum wage, plus or minus 25%.

Section

Recruiting Your Team

Subject

SPOTTING THE WHEEL FUN CANDIDATE

PURPOSE

To provide you with guidelines about the qualities we suggest you look for in a candidate that is right for Wheel Fun.

OVERVIEW

Finding a candidate that has the right attitude is as important as finding one with the right skills.

YOUR CHALLENGE

Hiring a candidate with the right stuff to join the Wheel Fun team may be a challenge in today's tight job market. The rewards mean not only creating a successful business, but a fun one, where you can look forward to working with team members who have a positive attitude and high energy level.

**THE WHEEL FUN
ATTITUDE**

Clerks, dispatcher/greeters, operators, and even the mechanic should be highly presentable, have a warm and sincere manner, and display a "can-do" attitude. All team members must be comfortable being "on stage."

Section

Recruiting Your Team

Subject

WHAT TO LOOK FOR

PURPOSE

To provide you with guidelines for general qualities we suggest you look for in all recruits.

OVERVIEW

Having the right general qualities can be as important in a candidate as having a good set of skills.

SALESPEOPLE/CLERKS

Besides being reliable, trustworthy, and competent, Wheel Fun team members should:

- Have an easy and outgoing manner
- Be well-groomed at all times

Remember, we are selling family entertainment in a friendly environment, where the staff goes the extra mile. Therefore, everyone -- from children to the elderly -- should feel comfortable around your team. Try for the boy- or girl-next-door image.

MECHANICS

Look for mechanical ability and a responsible attitude when hiring your mechanics. They should:

- Be detail-oriented
- Able to seek out and identify repair and maintenance work on their own initiative
- Show a genuine concern for the safety of those who ride their bikes

THE IMPORTANCE OF
YOUR EMPLOYEES

- Feel at home in the Wheel Fun culture

The biggest contributing factors to your success are the capabilities and performance of your team. Take your time when you select employees. A lasting employment relationship means lower unemployment compensation rates and lower turnover costs (e.g. uniforms, training, hiring, etc.).

TRAITS TO CONSIDER

The following characteristics of a potential employee play an important role in his or her success at WFR:

- Appearance
- Attitude
- Communication Skills

Appearance

Customers feel more at ease when well-dressed, clean employees serve them. Our market research confirms that the most critical purchases for drivers of the key consumer segments are Equipment Safety/Maintenance and Service. Thus, the appearance of your employees directly reflects the business you operate and the confidence customers have in every facet of your business. Customers appreciate service from an individual who cares about his or her appearance.

When a potential employee seeks a position at your outlet:

- Take note of his or her appearance. Pride in oneself is indicated by

the pride in appearance.

- Consider interviewing only those qualified applicants who illustrate WFR's standards of appearance.

Attitude

A person's attitude can win a customer over and help to guarantee repeat business. Seek out people who are enthusiastic, smile, and genuinely like people. These types of individuals are likely to get along with a broad range of your customer base.

Communication Skills

Since all of your employees need to communicate with your customers, seek out individuals who possess good communication skills. The ideal candidate demonstrates these qualities:

- Is articulate and easy to understand
- Practices good listening skills
- Maintains eye contact
- Projects his or her voice well.
- Speaks the language most common to the customers in your community.

NOTE: Hire from the community to help ensure that your employees have the appropriate communication skills.

Section

Recruiting Your Team

Subject

ADVERTISING FOR TEAM MEMBERS

PURPOSE

To provide you with tips for advertising for team members.

OVERVIEW

Looking in the right places for team members will help you search more effectively.

FINDING

SEASONAL HELP

We suggest beginning your search for seasonal help as early as April or May (or well in advance of the start of your season) so that you can choose from the best candidate pool available. You will be able to:

- Recruit “on the ball” job seekers who are eager to work and have the initiative to start looking early.
- Offer weekend training in advance of the season.

USING

WORD OF MOUTH

Be aware that your best candidates often come from recommendations and word of mouth. Let friends, acquaintances, team members, and others know you are looking for energetic and personable people on a full- and part-time basis.

RECRUITING IN SCHOOLS

Look for team members in both colleges and high schools. Contact the principal, guidance counselor, or the career placement office for the best way to reach the students on campus. By cultivating a strong network, you may be able to get to the cream of the crop before the best applicants start looking elsewhere.

Section

Recruiting Your Team

Subject

RECRUITING THROUGH THE J1 FOREIGN STUDENT PROGRAM

PURPOSE

To provide you with information on how to use the J1 foreign student program to attract top candidates to your store.

OVERVIEW

What is the Summer Work in America Program?

Through an agreement with the US government, the J1 Summer Work in America program offers full-time students studying in the UK (and elsewhere) the unique chance to live and work in the USA. As a participant in this program they can choose to live and work anywhere in the USA for up to four months between May and October with a month after their work permit ends to travel.

The students that enroll in the J1 program must be full time university students 18 or older. Prior to their arrival in America they pay fees to enroll in the program in addition to various fees to obtain a work visa. Most students are reliable, hardworking, friendly, and presentable, don't mind working holidays, and are often willing to pick up extra shifts as they are dependent upon hours to pay for their housing and other expenses while visiting here.

Each year up to 70,000 students annually from all over the world, have taken the opportunity to go on the Summer Work America Program. Through the dynamic combination of work and travel, they learn about the United States, its people, the culture and can truly immerse themselves in a different way of life.

HOW TO ADVERTISE
WITH J1 ONLINE

Visit <http://j1online.ie/Employers/index.asp> and click on "New Employers - Create a new employer profile". Filling out the necessary information is fast, easy, and FREE!

HIRING

Once you have received correspondence from the prospective employee, it's best to send them an introduction letter (See Document 05-01-04a) as well as a job description (See Document 05-01-06a) so they will know how to prepare for their trip and what your expectations are. Once you have made the decision to hire them, you can follow your usual hiring procedures when they arrive. It is a good idea to confirm the start and end dates they will be available, prior to hiring.



Dear prospective employee,

We'd like to thank you for considering Wheel Fun Rentals as your holiday employment source. In order for you to enjoy your visit to America more, we've laid out a few notes below which may assist you in preparing for your trip.

Enclosed, you'll find a copy of the Wheel Fun Rentals job description for Guest Services. We want to insure you know what your job will entail upon arrival, and be sure you'll enjoy working for Wheel Fun Rentals as much as we'll enjoy having you with us.

In addition to securing employment for your visit to America, here are some other things you may wish to consider while planning your trip:

- Obtaining a Social Security Card – To work in the United States, you'll need to apply for a social security card with the Social Security Administration. On your first day with Wheel Fun Rentals, you'll need to present your Social Security card or application thereof, as proof of eligibility to work in the United States. To learn more about obtaining a card, you can visit: <http://www.ssa.gov/pubs/10120.html>
- Lodging – You'll want to begin securing lodging as soon as possible as it can often be difficult to secure. Some cities have affordable student hostels, however, you may also consider a short term rental agreement. A word of note: many rental agencies require a Social Security Number with an established credit history in order to minimize rental deposit fees or even to sign an agreement. www.craigslist.org is a good source for info about temporary rentals.
- Transportation – You already know that America is a very large country with cities that are very spread out and public transportation may not be what you are used to. You will want to consider how you will be getting to your place of employment in a punctual manner (as well as anywhere else you hope to visit), whether that means looking into bus schedules, trains, taxis, car rental, etc. prior to your arrival.
- Your first day of work at Wheel Fun Rentals – You'll want to be sure to bring the following items when you first arrive:
 - Your Government-Issued passport
 - The complete mailing address of where you are staying during your visit
 - A telephone number where you can be reached/left a message, for scheduling purposes (Changes, etc.)
 - Your US Government Issued Social Security card (See above) or application thereof
- Wheel Fun Rentals work-life – Wheel Fun Rentals maintains a fun and guest-oriented environment. In order to uphold a uniform environment, we enforce a dress code which includes an issued shirt (which is a blue club shirt) and dark colored shorts or pants.

Although this is not a complete list, we hope this information helps you as you prepare for your trip. As always, if you have any further questions, please don't hesitate to call or email us to ask. You can reach us at XXXXXXXX@XXXXX.XXX or at 001-(XXX)XXX-XXXX.

We hope you have a fantastic time while visiting America!

Document
Number 05-01-04b

Section

Recruiting Your Team

Subject

CREATING WINNING ADS

PURPOSE

To provide you with examples of ads and tips to attract top candidates to your store.

OVERVIEW

Advertising to attract top quality people is one of the most important steps in attracting and keeping a motivated team.

**BEATING
THE COMPETITION**

Staying competitive in today's labor market means marketing your store and your concept to top candidates. To achieve this:

- Be aware of the rates and conditions offered by competing store owners.
- Don't be afraid of running longer ads if needed. Finding the right people and reducing the number of unsuitable candidates you have to interview would make the extra expense worth while.
- Use words and phrases that will attract job seekers and give you an edge over the competition. Read the tips below for some of these:

Fast Food

If you are competing against the fast food industry, use the key phrase "no late nights."

Restaurant and Retail

If you are competing against the restaurant and retail industries, use the key phrases "great working conditions," "outdoor environment," and "fun, healthful activity."

Document
Number 05-01-05

General

Other key words that will help you attract the kind of people that you're looking for are "wear shorts," and "casual attire."

Targeting Your Efforts

Before placing ads in the school paper or posting on the job board, read other ads that recruit for competing positions, and write your ad in the same style. Be careful not to oversell the position, as students may leave if they become disappointed.

NONMANAGEMENT
POSITIONS

Read below for an example of a print ad recruiting for senior operators, dispatcher/greeters, and clerks. Abbreviate as needed.

Heading: Retail/Entertainment, Sales

WHEEL FUN RENTALS has excellent opportunity for an energetic, outgoing individual. Fun, resort environment. We train. Call _____ (xxx) xxx-xxxx Check out www.wheelfunrentals.com

Depending on your needs, you may or may not include, "*mechanical aptitude a plus.*"

BICYCLE MECHANIC
POSITIONS

Read below for an example of a print ad recruiting bicycle mechanics for your store. Abbreviate as needed.

Heading: Retail/Bicycle Mechanic

WHEEL FUN RENTALS has excellent opportunity for an energetic, mechanical individual. Previous bicycle mechanic experience

Document
Number 05-01-05

*required. Call _____ (xxx) xxx-xxxx. Check out
www.wheelfunrentals.com*

Section

Recruiting Your Team

Subject

ADVERTISING ON CRAIGSLIST

PURPOSE

To provide you with information on how to use Craigslist to attract top candidates to your store.

OVERVIEW

What is www.craigslist.org? Local classifieds and forums for more than 500 cities in over 50 countries worldwide - community moderated, and largely free. Craigslist has become a great way to quickly and cheaply place want ads for employees. Placing an ad is as easy finding your city on www.craigslist.org and clicking on the "Post to Classifieds" link. Once you get to the "create posting" you'll want to keep a few things in mind when creating your posting

- Ads expire in 45 days and people frequently only look at the most recent ads so you may need to pull your ad and repost if it isn't getting the responses you were expecting or responses have slowed.
- The "Posting Title" is what everyone sees when scrolling through the ads so make sure it catches attention:
Examples: "Work in a Beautiful Lakeside Park", "Work at the Beach", "Have fun working outdoors" or something similar
- Because it is free (in most cities) you can feel free to put more detail into the "Posting Description" than you would put in your typical print ad. Feel free to be specific if you are looking to filter out certain applicants. ("Must have reliable transportation" for example.)

- Craigslist anonymizes your email address automatically so it does not actually show up in the ad. Unless you want an email box full of SPAM, leave this option checked.
- Craigslist allows you to instantly edit a posting even after it is posted, so don't worry about making modifications if necessary.

Craigslist ad example:

FUN!

Work on the beach (or in the park, etc) this weekend!

Are you reliable?

Are you dependable?

Do you love providing exceptional customer service?

Do you have your own transportation?

If you answered yes; Wheel Fun Rentals has the perfect job for you!

We're currently hiring in XXXXXXXX for bike rentals on the beach. We're looking for outstanding people who are available for XXXXXXXX shifts. Our entry-level customer service positions start at \$X.XX per hour and are on a XXXX-time basis until Summer.

Join the Wheel Fun family, today! Email your resume today!

Wheel Fun Rentals is the industry leader in outdoor recreation. Check out our website for more information: www.wheelfunrentals.com.

Section

Recruiting Your Team

Subject

BASIC JOB DUTIES AND DESCRIPTIONS

PURPOSE

To provide you with examples of some basic job descriptions that you may want to consider when recruiting your team.

OVERVIEW

Using our suggested basic job descriptions will help you organize your recruiting efforts.

WORKING TOGETHER

Notice that some of the duties suggested below overlap. We believe that asking staff members to pitch in to the best of their abilities creates a fun and efficient workplace. All team members should:

- Assist others to relieve bottlenecks when time allows.
- Clean and polish the products and the facilities, and generally contribute to a positive image for Wheel Fun.
- Help put away the products.
- Take an active role in security and loss prevention.

LEAD OPERATOR

(Hub Locations Only)

We suggest that this team member performs the following duties:

- Handles cash
- Checks in and checks out customers, including greeting customers and saying goodbye to customers
- Helps customers choose a product
- Shows customers how to use product
- Processes the release paperwork
- Handles product returns

- Accepts reservations
- Maintains the product and records maintenance activity in the log
- Issues credits and rain checks
- Resolves unusual transactions
- Monitors merchandise inventory

Other Duties

Depending on the needs of your outlet and the seniority of the team member, your lead operator may also place orders for products and perform minor maintenance.

CASHIER

We suggest that you assign the cashiers in your location the following duties:

- Handle cash
- Check in and check out customers, including greeting customers and saying goodbye to customers
- Help customers choose a product
- Show customers how to use products
- Process the release paperwork
- Handle product returns
- Accept reservations
- Issue credits and rain checks
- Maintain the products and record maintenance activity in the log

Other Duties

Depending on the needs of your store and the mechanical ability of the team member, we suggest assigning your clerk minor maintenance duties, especially in spoke locations.

DISPATCHER/GREETER

We suggest that you assign the dispatcher/greeter in your location the following duties:

- Greets and welcomes customers
- Checks in and checks out customers
- Helps customers choose a product
- Shows customers how to use product
- Processes the release paperwork
- Handles product returns
- Accepts reservations
- Issues credits and rain checks
- Maintains the product and records maintenance activity in the log

Other Duties

Depending on the needs of your store and the mechanical ability of the team member, we suggest assigning your dispatcher/greeter minor maintenance, especially in spoke locations.

MECHANIC

The mechanic may be hired up to the assistant manager level. We suggest asking this staff member to perform the following duties:

- Maintains and repairs all products
- Travels between hub and spoke locations as needed
- Maintains the products and records maintenance activity in the log
- Tracks the spare parts inventory

Other Duties

Depending on the level of responsibility you want to assign this staff member, the mechanic may also order parts and supplies and handle various duties of cashier and dispatcher/greeter.



JOB DESCRIPTION - GUEST SERVICE STAFF

RESPONSIBILITIES:

The position is accountable for offering excellent guest service, assisting in grass-root marketing, maintaining product and increasing location sales.

Directly responsible for the 100% guest satisfaction standard set by Wheel Fun Rentals.

Guest Service: Meet and Greet all Guest based on the 20/20 Rule.

Grass-Root Marketing: Support on-going marketing efforts for your location by distributing brochures and increase sales by utilizing coupons.

Product Maintenance: Make sure that all products are well maintained and in proper working order, that it is cleaned daily and secured at all times.

Product Display: Set-up Product Display Area with all available product at all times unless directed to do otherwise by Supervisor.

Daily Checklist: Utilize opening and closing checklist for your location so that you maintain an above average inspection level.

Paperwork and Reports: Fill out all paperwork and reports thoroughly and legibly. Utilize training sheets provide for you in the Rental Location Information File Box and Training & Reference Manual.

Team Work: Work well with all other staff members to ensure that you are creating a positive and solution oriented work place.

Position Reports to: Area Lead or Supervisor

Pay Rate: \$XXXXXX to start and up

Bonus Rate: Guest Service Staff will be eligible for XXXXXXX

Position Requirements:

Position requires honest, out-going, team player that seeks to grow within our company. Must be able to fluently speak English, walk for long periods of time, lift, pull, push up to 60 pounds, flexible days of work.

Experience/Education:

- **Required:** Posses or pursuing High School degree. Previous customer service experience in a similar setting, strong and effective communication skills and ability to multi-task.
- **Preferred:** Prior experience in a bike rental setting, previous experience in bike maintenance and repair.

*Wheel Fun Rentals is looking for that focused, driven
and hard working individual to be part of our winning team.*

Section

Recruiting Your Team

Subject

RETURN SEASONAL EMPLOYEES, SIGNING BONUS
INCENTIVE

PURPOSE

To provide you a tool to encourage desirable to return next season.

OVERVIEW

Document # 05-01-07a, Return Signing bonus Certificate can be used at the end of the season to encourage your solid staff to return next season. Offering a bonus will increase the chance that your staff will return and save you recruiting and training time while minimizing the likelihood of poor performers

CUSTOMIZING

Open Document # 05-01-07a and right click once on the certificate so that it is hi-lighted. Go to Edit on your taskbar and go to Edit Picture or Picture Option/Open. This will allow you to change the amount, date, etc.

Signing Bonus Certificate



To: _____

Date: _____

Come back for the entire 2005 season and receive a

\$150 signing Bonus!

Authorized by: _____

Only the employee whose name is on this certificate may collect the bonus. The bonus will be given upon completion of the season (after Labor Day)

Wheel Fun Rentals
4526 Telephone Rd. #202
Ventura, CA 93003
(805) 650-7770

Wheel Fun Rentals

Section

Interviewing and Hiring

Subject

INTERVIEWING POTENTIAL TEAM MEMBERS

PURPOSE

To provide you with our suggestions for interviewing potential team members.

OVERVIEW

Approaching your interviews of potential team members in a way that is consistent and orderly will help you find a good match.

**SCHEDULING
YOUR INTERVIEWS**

Keep in mind the following guidelines regarding scheduling your interviews:

- Select a time and place where you are less likely to be interrupted.
- Try to find a quiet and calm environment, so can you concentrate on what's being said.
- Remain objective when reviewing applications and interviewing candidates.

**Mandatory
Record Keeping**

Be aware that state law may require that you keep a record of applications. Consult your attorney or call the local labor department.

Section

Interviewing and Hiring

Subject

MAKING THE FIRST CUT

PURPOSE

To provide you with our suggestions for selecting candidates who make the first cut in the interview process.

OVERVIEW

Selecting candidates with the right qualities will increase the chances that they will be right for your outlets.

**MAKING THE
FIRST CUT**

We suggest that you only consider potential team members who have at least the following qualifications:

- Appear clean and well-groomed
- Demonstrate a concern for safety
- Display a friendly, customer-service oriented attitude
- Seem capable of handling cash (where applicable)
- Worked in retail or sales position

Section

Interviewing and Hiring

Subject

CONDUCTING AN INTERVIEW

PURPOSE

To provide you with our suggestions for interviewing potential team members.

OVERVIEW

Following our proven tips for conducting successful interviews will help you select the best candidates for your team.

**GETTING STARTED
WITH YOUR INTERVIEW**

Remember that an interview can be an uncomfortable situation for both the potential team member and for you. Follow these three tips:

- Control the atmosphere of the interview.
- Create a relaxed atmosphere. After all, we are in a fun business.
- Don't let nervousness alone disqualify a potential team member.

Being Prepared

Before you begin the interview, have a job description available for your candidate to read.

Getting Acquainted

We suggest that you follow the guidelines below in order to begin the process of getting acquainted:

- Give a brief history of Wheel Fun to get the candidate excited about the concept.
- Try to break the ice and create a free and easy-talking atmosphere.
- Watch for the right philosophy about work. The right candidate will see working at Wheel Fun as a win/win situation, and this attitude will make life much easier for everyone.

- Talk about the benefits of Wheel Fun. Even if you don't hire the candidate, you may be referred to others by word of mouth, and may even find a new customer!

RUNNING A WINNING INTERVIEW

Running a winning interview is one of the most important steps in choosing a team member that's right for you. Follow the tips below.

Maintaining a Professional Attitude

Remember that an interview is a two-way street, and that you should show your candidate – and potential team member – the same professionalism that you expect to see in return. Follow these guidelines:

- Remain friendly and polite.
- Maintain eye contact.
- Show an interest in the candidate.

Asking Open-Ended Questions

Ask open-ended questions that will draw out your potential team member so that you can form a more accurate opinion. Avoid questions with obvious answers such as, "Do you think you can handle the job?"

Avoiding Note Taking

Taking notes while conducting your interview may make the potential team member nervous and cause you to overlook an otherwise good match. Take key notes only if needed, and only if you feel that the person is a strong candidate.

Learning to Listen

Listening is two-thirds of a conversation: make it a proactive part of your interviewing skills by following these guidelines:

- *Listen* to what a candidate is saying, rather than merely *hear* the words.
- Ask for explanations of points you're not clear about.
- Encourage questions about the position or your outlets.

ANSWERING COMMON QUESTIONS

Read below for a list of the most common questions asked by potential team members. Remember that the questions they ask and how they ask them can give you a valuable insight about their attitude.

- How long have you been in operation?
- How successful have you been?
- What are my chances for promotion and advancement?
- What are the operating hours? Will I work weekends? Nights?
- What is my pay rate?
- How often do I get paid?
- Am I paid for overtime?
- Who do I work with?
- How are breaks scheduled?
- Do I have to wear a uniform?

KNOWING WHEN TO END

Knowing when and how to end an interview is as important as getting off to the right start. Run your interview as efficiently as possible, and stop only when you have the information you need to make a decision; don't rush, but don't waste your time. Be aware that you will usually spend more time with full-time candidates than with part-time or seasonal help.

Stopping an Interview

Terminate interviews with unqualified or unacceptable candidates as soon as you are sure that you do not want to hire them. Be polite and

diplomatic. Excuse candidates in a way that will allow them to save face. Use the following exit line or modify it to suit your needs:

We have several other candidates interviewing for this position, and we'll be calling for a second interview by _____. If you don't receive a call by that date, you'll know the position has been offered to someone else.

Upon Finding
a Good Match

If you decide that a candidate is a good match, we suggest that you:

- Set a specific callback date or ask the potential team member to call you by a specific date.
- Conduct the reference checks as soon as possible.
- If you need someone right away, or you are especially excited about a candidate, make an offer on the spot. Remember that in today's job market, excellent candidates may be snapped up by competing industries.

Section

Interviewing and Hiring

Subject

INTERVIEW QUESTIONS

PURPOSE

To provide you with suggestions for questions to ask during the interview.

OVERVIEW

Being prepared with a standard set of questions to ask potential team members will help you conduct your interviews more efficiently.

**ASSESSING POTENTIAL
TEAM MEMBERS**

Look for the following qualities when deciding whether or not a candidate is right for your team:

- Attitude
- Habits
- Personality
- Social skills

Rephrasing Questions

To get a sense for how honestly a candidate is answering your questions, ask some questions that elicit basically the same information, but are phrased differently.

**GETTING A FIX
ON MOTIVATION**

Ask the following questions when deciding whether a candidate has the right attitude for your team:

- "(Applicant's name), what attracted you to Wheel Fun?" or "Is there any special reason you chose to apply at Wheel Fun?"
- "What are your hobbies?"

DETERMINING JOB
URGENCY

Try to get a sense about whether applicants are looking for any job or if they are attracted by Wheel Fun. If applicants are unemployed, ask the following questions:

- "How long have you been looking for a job?"
- "How many other places have you applied to?"

If the applicants already have a job, ask the following questions:

- "Do you like working at (applicant's company)?"
- "Why do you want to leave?"

ASSESSING
JOB EXPERIENCE

Read the list below for questions that will help you gauge the experience level of your candidates and how well they did at their last job:

- "What are the responsibilities of your current position?...previous positions?"
- "What duties do you love to do?"
- "What duties don't you like to do?"
- "If we were to ask your supervisor for a reference, what do you think he or she would say about you?"
- "How would you (or your friends or your co-workers) describe your personality?"
- "What do you think your strong points are as a worker?"
- "What do you think your weak points are as a worker?"
- "How are your math skills?"
- "How good are you at making change?"
- "What is your biggest asset?"
- "What is your biggest liability?"

Working with the Public

If the applicant does not have any retail or front-counter experience, ask if they have ever worked with the public.

GAUGING SPECIFIC EXPERIENCE

Be aware that you can train an applicant with prior experience more easily than one without experience. Ask the following questions when evaluating job-specific experience:

- "What do you consider to be the most important responsibilities for this position?"
- "What do you consider to be your most important qualification for this position?"
- "Why do you think it is important to know the products and services your company offers?"

FINDING THE RIGHT PERSONALITY MATCH

Ask the following questions to get a sense of your candidate's attitude toward work:

- "Suppose your supervisor insisted that you do a certain thing in a certain way, but you know there is a better way. What would you do?"
- "What do you consider more important: courteous service or prompt service?"
- "How would you handle a customer complaint?"

DECIDING SALARY

Ask potential team members whom you are interested in hiring the following questions: "What is the minimum salary you are willing to accept?" "What did you earned at your previous position?"

FITTING A CANDIDATE

Knowing the days and hours applicants are available to work will

INTO THE SCHEDULE

help you decide whether their needs match your scheduling needs. Some may have other time commitments, such as family responsibilities, a second job, school, or sports, that will affect their availability to work for you. Ask the following questions:

- "Do you have any other commitments that might limit the hours you are available to work?"
- "Do you have any future commitments (such as school in the fall, moving, etc.) that might limit your availability?"
- "Are you available to work weekends?"

Working with an
Applicant's Schedule

Let a desirable applicant know that you are willing to work with reasonable restrictions to their schedule.

Section

Interviewing and Hiring

Subject

INTERVIEW TOPICS

PURPOSE

To provide you with guidelines for acceptable interview topics.

OVERVIEW

Understanding what topics are acceptable for job interview questions will make you more comfortable and assured during the interview.

**ACCEPTABLE
INTERVIEW TOPICS**

We have provided you with a list of questions we believe you should ask during an interview. However, you may have interview questions of your own that you would like to ask. You may ask job applicants questions that are centered on the following subjects:

- Ability to perform job functions
- Age, but only to decide whether an the applicant is over 18
- Authorization to work in the United States
- Felony or misdemeanor *convictions* (not arrests)
- Job history and the reason for leaving previous jobs
- Name change (so that you can verify the applicant's job history)
- Name of an emergency contact person
- Other commitments that may affect whether the applicant can meet attendance requirements
- Place of residence
- References
- Schools attended
- Work experience

About the ADA

You may ask candidates whether they will require special accommodations under the American with Disabilities Act (ADA), and you must make a reasonable effort to accommodate them.

About
Criminal Convictions

The Equal Employment Opportunity (EOE) Commission recommends that questions about convictions be accompanied by a statement that a conviction record will not prevent an applicant from being hired. Take into account factors such as age and time of offense, the nature of the violation, and rehabilitation.

UNACCEPTABLE
INTERVIEW
TOPICS

Be aware that the law forbids you to ask certain questions which could allow you to discriminate against an applicant, even if your intention in asking the question is not discriminatory.

NOTE: Labor law may not necessarily forbid all of the questions below, though asking them may leave you liable.

Age

Do not ask the following questions that may be perceived as asking for an applicant's age, unless needed to show permissible working hours for a minor:

- Birth date and place
- Date of graduation from grade school or high school

Gender and Family Status

Do not ask the following questions that may be perceived as discriminating against a candidate based on gender or family status:

- Children
- Child-care arrangements
- Prior paid work experience, unless you also ask about prior unpaid

or volunteer work experience (although the Fair Employment and Housing Act allows you to give special consideration to veteran status)

- Gender
- Maiden name
- Marital status
- Pregnancy status and future child-bearing plans

Disability

Do not ask the following questions that may be perceived as discriminating against a candidate based on disability or medical history:

- Days absent from work in previous year because of illness
- Disabilities or impairment
- Smoking habits (local codes may vary)
- Worker's compensation history
- Diseases for which the applicant has been treated
- Hospitalization history
- Past treatment for drug addiction or alcohol abuse
- Prescription drugs being taken

Privacy

Do not ask the following questions that may be perceived as violating a candidate's privacy:

- Length of residence at a particular address
- Garnishments of wages
- Pending or previous lawsuits
- Relatives' names
- Status of roommates or house mates
- Type of military discharge (honorable or dishonorable)

- Arrest record involving no subsequent convictions (This may be permitted in certain instances; consult your lawyer first)
- Credit rating (exceptions apply for bonding companies.)
- Height and weight
- Home ownership

Race, Nationality
Religion, Creed

Do not ask the following questions that may be perceived as discriminating against a candidate based on race, nationality, religion, or social or political beliefs:

- Citizenship status
- Country of origin and past residence
- English language skills (unless necessary for the job)
- Foreign military service
- How foreign language skills were acquired
- Race or color
- Religious affiliation
- Organizational memberships

Exceptions

Be aware that you may ask some of the questions listed above under certain circumstances. Read the list below for a some examples:

- Affirmative Action reporting requirements
- Information needed for tax, insurance, immigration, or health department purposes (may be collected after the applicant is hired)
- Bonding information (Ask the applicant to complete and sign the form provided by the bonding company.)
- Other questions that are *directly* related to the applicant's ability to do the job

Section

Administrative Details of Hiring

Subject

REFERENCE CHECKS

PURPOSE

To provide you with suggestions about what to look for when conducting reference checks.

OVERVIEW

We strongly suggest that you check the references of your applicants to weed out people who will not be a good match for your operation.

WHAT TO CHECK

Ask questions that will help you determine whether the applicant is the right person for your operation. We suggest that you ask about the following points when conducting a reference check about a potential team member:

- Facts about previous employment, including:
 - Dates of employment
 - Duties
 - Pay level
 - Reason for leaving
- Work habits and general character, including:
 - Absences
 - Lateness
 - General reliability
 - Ability to work with others, including supervisor
 - Degree of supervision needed

Section

Administrative Details of Hiring

Subject

EMPLOYEE CONFIDENTIALITY AGREEMENT

PURPOSE

To provide you with a copy of the Employee Confidentiality Agreement.

OVERVIEW

Asking your team members to sign a copy of the Confidentiality Agreement before beginning hiring and training will help you protect proprietary information.

Employee Confidentiality Agreement

The undersigned acknowledges that _____ a Wheel Fun Rentals Franchise, has furnished to the undersigned employee certain proprietary data ("Confidential Information") relating to the business affairs and operations of _____ a Wheel Fun Rentals Franchise.

It is acknowledged by undersigned that the information provided by _____ a Wheel Fun Rentals Franchise, is confidential; therefore, undersigned agrees not to disclose it, other than as provided for in the following paragraph.

It is acknowledged by undersigned that information to be furnished is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by undersigned, except as provided in this agreement, may cause serious harm or damage to _____ and Wheel Fun Rentals, and its owners and officers. Therefore, undersigned agrees that undersigned will not use the information furnished for any purpose other than in the capacity of employment, and agrees that undersigned will not either directly or indirectly by agent, employee, or representative, disclose this information, either in whole or in part, to any third party, and any disclosure of information may be made to which _____ a Wheel Fun Rentals Franchise, consents in writing. At the end of employment, the undersigned will return to _____ a Wheel Fun Rentals Franchise, all records, reports, documents, and memoranda furnished and will not make or retain any copy thereof.

Signature

Date

Name (typed or printed)

Section

Administrative Details of Hiring

Subject

PERSONNEL FILES

PURPOSE

To provide you with guidelines for storing and maintaining personnel files.

OVERVIEW

Maintaining accurate and complete personnel files is required by labor law and will help you manage your team.

**ENSURING
CONFIDENTIALITY**

Maintaining the confidentiality of personnel records is a legal requirement that will reduce your liability and help you create a professional atmosphere among your team members. Make sure that confidentiality is maintained between you, management, and your team member.

**Releasing
Personal Information**

Never give out personal information about a current or former team member without a signed release from that person.

**Releasing
Employment History**

Release only the facts about a current or former team member to other employers. Never give a personal opinion about character or job performance.

WHAT'S IN A FILE?

Read below for the types of documents that we suggest you keep in each team member's personnel file:

- Application
- Attendance records
- Confidentiality Agreement (see Document Number 05-03-02)
- Education and training records
- Employee Responsibility Form/Job Description
- Grievance records
- I-9
- Interview evaluation rating
- Medical records affecting employment status
- Medical restrictions
- New Hire Form
- Performance appraisals
- Promotion recommendations
- W-4
- Other appropriate documents

RECORD STORAGE AND THE LAW

Federal law requires you to store a team member's personnel files for three years after you no longer employ that person. Your state may require you to maintain these files longer.

Section

Administrative Details of Hiring

Subject

MINORS

PURPOSE

To provide you with guidelines we suggest you follow when hiring minors to work in your outlets.

OVERVIEW

Hiring minors can be a good solution to your staffing needs if you closely follow all government regulations.

WHO IS A MINOR?

State and local laws may have different definitions of a minor; be familiar with those that apply to you. Remember that the penalties for violating employment law in this area can be stiff.

At Wheel Fun, we define “minor” as anyone under the age of 18.

USING THIS DOCUMENT

Use this document as a background reference guide only. We have used the example of California because we are most familiar with the laws in that state. Note, however, that you must know the regulations and laws that apply to you. Check with your local labor department or your attorney if you have specific questions.

WORK PERMITS

Remember the following:

- All minors must have a work permit before they can join your team.
- You can obtain work permits through the minor's school.

- You must keep the work permit on file as long as you employ the minor, and must have a parent's or a guardian's permission.

Exceptions

Here are two exceptions:

- High school graduates or the equivalent are exempt from needing a work permit before joining your team.
- You usually don't need a work permit if you want to employ your own child, but check with the labor department or your attorney to make sure.

HOURS OF EMPLOYMENT

The hours that minors can work depend on their age and the shift assigned. Remember that in addition to the restrictions described below, all the usual labor regulations regarding meals, rest periods, and other rights that apply to adults also apply to minors.

Minors Under 16

Read below for a list of rules for scheduling a minor under 16 during the school year:

- Shifts must fall between the hours of 7 A.M. and 7 P.M., but not during school hours.
- Shifts can not be more than three hours long on a school day.
- Work hours can not be more than 18 hours in one week when school is in session.

Summer Hours

Summer hours are far less restrictive. Usually, shifts can last until 9 P.M. Ask your labor department or attorney for more information.

Minors 16 to 18

During the school year, shifts must fall between the hours of 5 A.M.

and 10 P.M., but not during school hours. You may schedule these minors until 12:30 A.M. during vacations and any evening before a non-school day.

Section

Administrative Details of Hiring

Subject

PRE-EMPLOYMENT PACKAGE COVER LETTER

PURPOSE

To provide you with the letter we use that accompanies the pre-employment package we give to prospective employees.

OVERVIEW

You may use this letter as is or adapt it to meet your needs.



For: _____

RE: Employment Package

Welcome to Wheel Fun Rentals, the premiere renter of unique bicycle and water products in the United States. This package contains the following items:

1. W-4 Form
2. I-9 Form
3. Uniform Policy
4. Monthly Inspection Bonus & Scoring Outline
5. Wheel Fun Rentals New Hire Form

Please keep this package stapled. If you decide to make a copy, please re-staple the package.

Please adhere to the following key points when filling out each form:

W-4 Form

1. Important: Fill this form out completely. Anything missing on the form may cause a delay with your first paycheck.

I-9 Form

1. Fill out Section 1 completely. Do not fill out the Preparer and/or Translator Certification. If you need assistance, a Wheel Fun Representative will assist you.
2. You must supply your Wheel Fun Manager with one or two forms of identification (read the instructions carefully). Please make a copy of each form of identification and attach the copy to your package.

Please verify below the details of your employment offer:

Position: _____

Term: _____

Wage: _____

Employee Signature

Date

This package must be returned to your Wheel Fun Manager before you can begin your first day on the job.

If you have any questions, please speak with your manager or feel free to call our Corporate headquarters at 877-943-3538.

Thank you,

Wheel Fun Rentals

Section

Administrative Details of Hiring

Subject

APPLICATION FOR EMPLOYMENT

PURPOSE

To provide you with an example of the application form we use.

OVERVIEW

You may use this form as is or adapt it to meet your needs. Whatever you choose, make sure you include it in the Pre-Employment Package.



**APPLICATION FOR EMPLOYMENT
(PRE-EMPLOYMENT QUESTIONNAIRE) AN EQUAL OPPORTUNITY EMPLOYER**

DATE _____

NAME _____
LAST FIRST MIDDLE

PRESENT ADDRESS _____
STREET CITY STATE ZIP

PERMANENT ADDRESS _____
STREET CITY STATE ZIP

PHONE #: DAY _____ EVENING _____ CELL # _____ PAGER # _____

ARE YOU 18 YRS OLD OR OLDER?
 YES NO

E-MAIL ADDRESS _____

EMPLOYMENT DESIRED

POSITION DESIRED _____ DATE YOU CAN START _____ SALARY DESIRED _____

ARE YOU EMPLOYED NOW? YES NO IF SO, CAN WE CALL YOUR PRESENT EMPLOYER? YES NO

TELEPHONE # _____

HAVE YOU EVER APPLIED HERE BEFORE? _____ WHERE? _____ WHEN? _____

EDUCATION	NAME & LOCATION OF SCHOOL	# OF YRS ATTENDED	DID YOU GRADUATE?	SUBJECTS STUDIED
GRAMMAR SCHOOL				
HIGH SCHOOL				
COLLEGE				
TRADE/BUSINESS				

GENERAL

SUBJECTS OF SPECIAL STUDY: _____ AREAS OF RESEARCH: _____

US MILITARY OR NAVAL SERVICE _____ RANK _____ PRESENT MEMBERSHIP NAT'L GUARD OR RESERVES _____

FORMER EMPLOYERS - PLEASE LIST THE LAST FOUR EMPLOYERS - STARTING WITH THE LAST ONE FIRST.

DATE MTH & YR	NAME & ADDRESS OF EMPLOYER	SALARY	POSITION	REASON FOR LEAVING
FROM:				
TO:				
FROM:				
TO:				
FROM:				
TO:				
FROM:				
TO:				

REFERENCES: GIVE THE NAMES OF 3 PERSONS NOT RELATED TO YOU, WHOM YOU HAVE KNOWN FOR AT LEAST 1 YEAR

	NAME	ADDRESS	BUSINESS	PHONE #	YEARS ACQUAINTED
1.					
2.					
3.					

PHYSICAL RECORD:

DO YOU HAVE ANY PHYSICAL LIMITATIONS THAT PRECLUDE YOU FROM PERFORMING ANY WORK FOR WHICH YOU ARE BEING CONSIDERED? _____
 IF YES, WHAT CAN BE DONE TO ACCOMMODATE YOUR LIMITATION? _____
 PLEASE DESCRIBE: _____

IN CASE OF EMERGENCY

PLEASE NOTIFY: NAME ADDRESS PHONE#

I CERTIFY THAT THE FACTS CONTAINED IN THIS APPLICATION ARE TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND UNDERSTAND THAT, IF EMPLOYED, FALSIFIED STATEMENTS ON THIS APPLICATION SHALL BE GROUNDS FOR DISMISSAL.

I AUTHORIZE INVESTIGATION OF ALL STATEMENTS CONTAINED HEREIN AND THE REFERENCES LISTED ABOVE TO GIVE YOU ANY AND ALL INFORMATION CONCERNING MY PREVIOUS EMPLOYMENT AND ANY PERTINENT INFORMATION THEY MAY HAVE PERSONAL OR OTHERWISE AND RELEASE ALL PARTIES FROM ALL LIABILITY FOR ANY DAMAGE THAT MAY RESULT FROM FURNISHING SUCH TO YOU.

I UNDERSTAND AND AGREE THAT, IF HIRED, MY EMPLOYMENT IS FOR NO DEFINITE PERIOD AND MAY, REGARDLESS OF THE DATE OF PAYMENT OF MY WAGES AND SALARY, BE TERMINATED AT ANY TIME WITHOUT ANY PRIOR NOTICE.

SIGNATURE _____

DATE _____

Section

Administrative Details of Hiring

Subject

W-4 FORM

PURPOSE

To provide you with an example of the W-4 form.

OVERVIEW

Make sure you include this form in your pre-employment package.

Section

Administrative Details of Hiring

Subject

I-9 FORM, EMPLOYMENT ELIGIBILITY

PURPOSE

To provide you with an example of the I-9 Form.

OVERVIEW

Make sure you include the I-9 Form in your pre-employment package.

Section

Administrative Details of Hiring

Subject

NEW HIRE FORM

PURPOSE

To provide you with the New Hire Form we use.

OVERVIEW

Once the team member has been hired, make sure the New Hire Form is completed by the hiring manager.

You may use this form as is or adapt it to meet your needs.



Wheel Fun Rentals
New Hire Form

Date		Employee Name	
Department		Date of Hire	
Payroll (Hourly/Salary)		Rate of Pay	
Position (FT/PT/Seasonal)		Title	

Reference Checks		
Company	Contact	Comments
1.		
2.		
3.		

Paperwork Check List:

Complete

Application	
I9 - 2 forms of ID	
W-4 Form	
Work Permit (if applicable)	
Received employee handbook	

Signature of Hiring Manager

Date

Acknowledged by Accounting

Date

Section

Administrative Details of Hiring

Subject

PAYROLL/STATUS CHANGE FORM

PURPOSE

To provide you with a Payroll/Status Change Form

OVERVIEW

When the payroll or the status of a team member changes, document the change(s) on the form.

You may use this form as is or adapt it to meet your needs.

Section

Administrative Details

Subject

SCHEDULE TEMPLATE

PURPOSE

To provide you with a template to use when scheduling staff.

OVERVIEW

This is the schedule distributed to staff and kept in the location file box. The form has all contact information which also allows staff to contact each other as necessary.

Section

HIRING ADMINISTRATIVE DETAILS

Subject

EMPLOYEE AGREEMENT

PURPOSE

To provide you with an Employee Agreement to be used at the time of hiring.

OVERVIEW

This agreement helps assure you have on file important aspects of your relationship with the employee. You may wish to modify the agreement to reflect specific state laws or company policy



Employee Agreement

Training Manual

I have read the Employee Training Manual and agree to the contents in the manual. I also agree to abide by the contents in the manual during work hours. I understand that all pages in the manual are extremely important to read and understand prior to signing this agreement. I further understand that if, at anytime, I do not adhere to the contents in the manual, disciplinary action may occur.

Furthermore, I agree to provide the following to Wheel Fun Rentals customers:

1. Friendly Service
2. Well maintained Product
3. Competent Service
4. Fast Service

Employee Handbook

I have been given a copy of the WFR Employee Handbook summarizing the personnel guidelines, have read and understood its contents, and agree to abide by the manual's current or new/revised policies. I understand that, except for our at-will policy, the statements contained in the handbook are not intended to create any contractual or other legal obligations. I also understand that, other than our at-will-policy, WFR may revoke or modify some of the policies outlined in the handbook at any time and shall be distributed to each employee in writing.

I further understand that I am free to leave WFR at any time for any reason, and WFR reserves a similar right. Therefore, both WFR and I will have the right to terminate this employment relationship at any time, with or without advance notice and with or without cause. I understand that this is called "employment-at-will", and that no one other than the President of WFR has the authority to alter this arrangement to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to this policy. Furthermore, any such agreement must be in writing and must be signed by the President of WFR.

On-Duty Meal Period

Under California law (IWC Orders and Labor Code Section 512), an "On Duty" meal period, counted as hours worked, and paid for at the employee's regular rate of pay, will be permitted when the nature of the work prevents the employee from being relieved of all duty and when by written agreement between the employee and employer, an on-the-job meal period is agreed to. Your signature below confirms your agreement. Employee and/or employer may revoke this agreement, in writing, at anytime.

Telephone Policy

Company phones are for business use only. Exceptions to this policy are for personal emergencies and transportation arrangements only. I agree, that personal use of company telephones, for other than emergencies and transportation arrangements, will lead to disciplinary action, including payroll deduction for all unauthorized calls.

Your signature below constitutes written agreement between you and Wheel Fun Rentals for all items outlined above.

Signature: _____

Date: _____

Print Name: _____

Section

Training Your Team for Success

Subject

ORIENTING YOUR TEAM MEMBERS

PURPOSE

To provide you with an overview for how we suggest you orient your team members.

OVERVIEW

Having an overview of your goals will help you orient your team members successfully.

GETTING STARTED

Set a friendly, upbeat tone starting from the first day of training. Remember, well-trained team members are your best asset. Take the time to develop a professional and friendly working relationship with them. Follow these guidelines:

- Encourage your new team members to ask questions.
- Let your new team members know that you are willing to repeat anything they don't fully understand.
- Introduce your new team members to the other members of the team.

ORIENTATION

Let your team members know what you expect of them and what they must do to meet your expectations. Orient your team members to general operations, policies, and procedures. Use the Training & Reference Manual as a means of reference during your orientation. Follow these guidelines:

- Allow team members to view operations.
- Explain the general procedures that each team member performs in

Document
Number 05-04-01

the clerk, dispatcher, and mechanic areas.

- Show team members how to use all products.
- Train team members in using the POS system, including how to clock in and clock out.
- Clarify the basics of the attitude and quality of customer service you expect from each team member.

Section

Training Your Team for Success

Subject

ORIENTING YOUR TEAM MEMBERS

PURPOSE

To provide you with an effective tool for new hire training and orientation and for the training of mechanics.

OVERVIEW

We have produced the Welcome, Orientation and Training DVD to assist with the training of new staff members. We recommend this DVD be distributed to each new recruit at the time they come on board. There is very little cost for each DVD making this a very small investment with a big reward.

See document # 11-02-05a for DVD Order Form

GETTING STARTED

You may choose to review this one-on-one with each new hire and/or you may want to pass it to new staff with their new hire packet. To help assure staff viewed the DVD, we recommend new recruits fill in the Welcome, Orientation and Training DVD questionnaire.

WFR Central policy requires new staff to fill out the questionnaire and we offer one additional hour on the initial timecard for all correct questionnaires turned in.

ORIENTATION

Let your team members know what you expect of them. The first 30 minutes is What Everyone Needs To Know.

Welcome & Orientation

Part One: Product Safety Instructions

Part Two: Seat Adjustment

Part Three: Product Basic Maintenance

- Product Maintenance Tools
- Product Maintenance “Quick Tips”
- Changing a Tire

Staff should be very familiar with all the areas covered here. Use this tool to reinforce and re-train as necessary. As time goes on, ask staff to review Safety Instructions, Greeting customers, or any other area you observe they need reinforcement.

The next 40 minutes is Advanced Maintenance Training.

Part Four: Advance Maintenance Training

- Surrey Front Wheel Alignment
- Surrey Chain Tension and Rear Wheel Alignment
- Surrey Brake Repairs and Adjustments
- Headset Adjustment for Deuce Coupe, Chopper & Quad Sport
- Chain Adjustment for Surrey, Chopper & Quad Sport
- Real Axle Adjustment for Deuce Coupe, Chopper & Quad Sport
- Coaster Brake Hub Adjustment for Deuce Coupe, Chopper & Quad Sport
- Crank Assembly Maintenance for Deuce Coupe, Chopper & Quad Sport
- Quad Sport Front Wheel Alignment
- Slingshot Maintenance

Staff who will be involved in fleet maintenance should review this as often as

necessary as a refresher. It is a good idea to have staff initially review and review again after becoming familiar with the product.



Employee Welcome and Orientation Video Questionnaire

Name: _____ Date: _____

Wheel Fun Location: _____

1. The beginning of the video mentions several serious issues that Wheel Fun Rentals follows strictly and does not tolerate. List three of the issues mentioned on screen.

--	--	--

2. If a customer is approaching the outlet, we follow this rule to approach them and ask if they have any questions.

--

3. To date, we've offered recreation to how many visitors?

--

4. What should you do if a guest complaint arises?

5. How much of the product should be brought out on a daily basis?

6. Because Wheel Fun Rentals is committed to staff training, we have designed two different tools to refer to when you have a question about a certain aspect of your job. What are the two tools?

7. Where would you find additional information about Wheel Fun Rentals? Including a list of all locations, franchise opportunities and our video presentations to parks and resorts.

8. . We will always strive to have the necessary tools available to help you grow and succeed because this is very important to us. Name three common tools used on our products.

10. Who should you contact if you need further assistance?

11. In the Safety Instructions, where do you point on the Surrey to remind the customer to keep their feet safe?

12. What is our motto when it comes to our pay-as-you grow program?

Section

Training Your Team for Success

Subject

TRAINING: THE FOUR STEP PROCESS

PURPOSE

To provide you with the four-step training process that we suggest you use in your outlets.

OVERVIEW

Using our proven four-step training process will help you get your team members off to a great start in the race for success.

**MAKING
THE INVESTMENT**

Our experience has been that a well-trained team helps you maintain the quality, efficiency, cleanliness, and profits of your Wheel Fun outlet. The right staff, with the proper training, will increase your overall business and reduce your labor expense. Think of the time invested in training as an investment in your success.

BEFORE BEGINNING

Before you start training, keep in mind the following tips to make the process run smoothly:

- **Plan** the time you spend with new team members so that you can devote your total attention to them.
- **Prepare** in advance, including readying all the paperwork you'll need.
- **Organize** the process so that it is logical and thoroughly covers all the major areas. Outline the areas in which you plan to train your new team members. The more they feel like part of the process, the more information they will absorb.

- **Empower** team members with an overview of the big picture, so that they understand their role in the operation and how all of the pieces fit together.

THE FOUR-STEP PROCESS

Follow the four steps below each time you train a new team member in any major task or policy. The four-step process works because it covers different learning styles and reinforces learning multiple tasks. Vary the time you spend on each step according to the job and the learning style of your new team member. Tell team members how long each task should take once they are up and running.

Step One: Explain

Assume that new team members know nothing about the operation of your outlet. Start from scratch, and explain each task or policy fully to make sure that they understand exactly what they need to do. Follow these guidelines:

- Highlight the necessary equipment, the potential problems, and any special characteristics of the job.
- Encourage your team members to ask questions whenever they are not sure that they understand.

Step Two: Demonstrate

After explaining the task, demonstrate it until your team members understand. Use the following tips to make your demonstration more effective:

- Take your time. Remember to assume that new team members know nothing about the WFR business.
- Give a step-by-step explanation along with your demonstration. Demonstrate and explain the whys as well as the hows.

- Repeat the demonstrations as often as it takes to make your new team members comfortable with the task.

Step Three: Practice

After demonstrating and explaining, ask your new team members to try for themselves. Remember these points to make this third stage most productive:

- Allow new team members to operate at their own pace. Remember that you have done this a thousand times before, but it may be new to this person.
- Ask new team members to repeat the task until they feel comfortable with it. Demonstrate again, if necessary.
- Encourage your new team members to practice by themselves once they feel comfortable doing so. Do not watch them unless they ask for help. Try to build their confidence.

Step Four: Follow Up

After allowing new team members enough time to practice, let them try it “live” while you watch. Evaluate and comment on their performance. Praise the areas where they did well and point out how they could improve in other areas. Always be constructive.

A good way to complete the learning process is to ask your new team members to teach *you* the job. Pay attention, ask intelligent questions, and take the role-play seriously.

RETRAINING YOUR TEAM

Training is an ongoing process that requires constant observation and fine tuning. Consider retraining when:

- Team members are not performing a task correctly or not following a policy.
- You introduce a new task or policy.

Section

Training Your Team for Success

Subject

MOTIVATING YOUR TEAM MEMBERS

PURPOSE

To provide you with tips on how to motivate your team members to perform their best.

OVERVIEW

Motivating your team members is crucial to your success. Read our tips for getting the best performance out of each team member, and customize them to suit your style.

**GUIDELINES TO
MOTIVATE YOUR
TEAM MEMBERS**

To maintain the productivity of your team members, follow the guidelines below as part of Wheel Fun Rentals' continuous training program:

- **Lead by example.** When you do your best, it motivates your team members to do their best. We've found this is the best motivator possible.
- **Perform tasks in the manner in which you want your team members to perform them.** To accomplish this, remember the following:
 - Work with a sense of urgency.
 - Use your time efficiently.
 - Meet the goals you set.
 - Honor deadlines.
 - Maintain quality.
- **Set goals and make objectives clear.** Setting goals is important; it gives your team members something to achieve. Setting clear objectives will help your team members understand *why* a goal is

important and will encourage your team members to try their best.

- **Be specific.** When explaining how you want a task to be completed, it's important to be specific about what you want done and the time frame for its completion. After you outline a procedure, ask team members if they have any questions.
- **Use positive reinforcement and personalize it.** Always praise good work; never take it for granted. When a team member's performance improves, make a special effort to let the team member know you appreciate it.
- **Build respectful relationships with your team members.** Always treat your team members the same way you would like to be treated. Respect their individuality and trust their intentions.
- **Try to understand the point of view of your team members.** Listen to your team members and ask for their opinions before you give directions or offer advice. When you listen with an open mind, they are much more likely to cooperate if you decide something has to be done differently.
- **Correct poor performance when it occurs; be concrete, clear, and direct.** Coach your team members through a problem. Reprimand the behavior, not the team member.

Section

Training Your Team For Success

Subject

TROUBLESHOOTING MISCOMMUNICATIONS

PURPOSE

To provide you with a table that we suggest you use to troubleshoot miscommunications with your team.

OVERVIEW

Referring to the table below will help you troubleshoot communication problems with your team members.

**YOUR TROUBLE-
SHOOTING GUIDE**

To use this troubleshooting guide, look up the problem in the left hand column and our suggestion in the right hand column. Customize the solutions to meet your needs.

<u>PROBLEM</u>	<u>SOLUTION</u>
Team members are not communicating effectively with you or each other.	Communicate on an individual basis. <i>Listen!</i> Always put policies in writing and post them so team members can read them.
Team members are impatient about opportunities for advancement.	Set realistic and obtainable goals for the team and individuals. Be honest about how the job can grow. Offer incentives when goals are reached. Review progress regularly. Keep people on track.
Team members are unable to do an outstanding job.	Establish and follow up on standard training programs. Train for both lateral and upward growth.
Team members show a poor attitude on a store-wide basis.	Live the standard you want your team to follow. Be fun, firm, and supportive. Be decisive.

<u>PROBLEM</u>	<u>SOLUTION</u>
Team members do not maintain the store to Wheel Fun's standards of excellence.	Instruct your team members to keep fixtures, equipment, and tools clean and well maintained. Retrain if needed. Lead by example.
Team members show a lack of pride in the company.	Never accept what you consider to be second best.
Team members don't act as if they are important members of a team.	Recognize and reward accomplishment and extra effort. Catch people doing things right and say something about it. Whenever possible, compliment. Get to know your team members. Ask about their families and hobbies. Make them feel like individuals.

Section

Training Your Team for Success

Subject

STAFF NEWSLETTERS

PURPOSE

To provide you with tips on how to orient and motivate your team members using Staff Newsletters.

OVERVIEW

Motivating your team members is crucial to your success. A key ingredient is offering them greater perspective, helping them better understand what Wheel Fun is all about. The newsletters have been created to be fun and informative and help staff feel that they are a part of a greater organization. They are also designed to reinforce training.

**GUIDELINES TO
USING NEWSLETTERS**

We produce four Staff Newsletters each year targeted for distribution in May, June, July, August, though they are marked issues 1 through 4 giving you flexibility on your timing of distribution. These can be found in electronic format on your Franchisee CD.

Your printing cost per newsletter should be between \$.80 and \$1.25 each and should be printed on heavier paper stock similar to the WFR Newsletter. The overall cost to you per season is a few dollars per staff member, a worthwhile investment in your staff and your business.

**GUIDELINES TO
PRINTING NEWSLETTERS**

On the Franchisee CD the newsletters are in a PDF file format. You should be able to read these on your PC with Adobe Acrobat Reader (free download at Adobe.com). You will not be able to directly edit these unless you have higher end software, Adobe Acrobat.

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Should you wish to make changes, we recommend you create your changes in a Word doc. and take them to your printing vendor with the CD. Your printer will be able to insert changes, alternative articles etc. as needed. If your printing vendor requires a format other than a PDF file, please contact Wheel Fun Central.

Even if you have made no changes, it is always a good idea to approve a proof copy before proceeding to final printing.

Section

Key Personnel Policies

Subject

DRESS CODE AND PERSONAL HYGIENE

PURPOSE

To provide you with our suggested guidelines for dress code and personal hygiene among team members.

OVERVIEW

Using our guidelines for dress code and personal hygiene will help you run your store according to the Wheel Fun image.

DRESS CODE

Remember that our industry thrives in a casual, recreational setting. Use the relaxed dress code and the Wheel Fun culture as a selling point when recruiting team members from high schools and colleges. Team members must wear clothes that are clean and well maintained.

Consider the following “uniform”:

- Colored WFR logo shirts (long sleeves in cooler weather)
- Khaki/beige pants, shorts or skirt
- Athletic, outdoor or walking shoes with white socks
- A Wheel Fun logo baseball cap or straw Western-style hat

**APPEARANCE
AND HYGIENE**

Be aware that a crisp personal appearance and good hygiene habits among your team members will make customers feel comfortable and build confidence in the wholesome and safe nature of the Wheel Fun experience. Team members must not be offensive to customers in any way. Though mechanical repairs will sometimes be dirty, clean hands and a fresh shirt are mandatory when “on stage.”

Section

Key Personnel Policies

Subject

UNIFORM/APPEARANCE POLICY

PURPOSE

To provide you with our uniform/appearance policy.

OVERVIEW

Adhering to this policy will ensure that we maintain the standards required of a Wheel Fun Rentals franchisee.



WFR UNIFORM/APPEARANCE POLICY

Each employee will be provided a WFR club shirt. Additional shirts, as well as optional WFR attire is available for purchase by all employees. For your comfort and convenience, you may wish to purchase additional shirts if you work multiple days a week.

Optional purchases: WFR logo – Club Shirt \$16-\$18, Hat \$5.50, Sweatshirt \$27, Fleece Vest \$30

Work attire:

- WFR club shirt or any WFR logo sweatshirt or vest can be worn over shirt
- WFR club shirt must be buttoned.
- Navy Blue or Khaki shorts, Capri's or slacks with belt or navy blue nylon sweats (must be solid blue, no stripes). Shorts must not be below the knee and no shorter than mid-thigh. Pants and shorts cannot have large baggy pockets and must have belt loops. Although khaki pants and shorts are allowed, employees must remember that pants or shorts must be clean and presentable so be aware that stains on khaki are more noticeable than on navy blue.
- Blue jeans are permitted but are recommended only for mechanics and employees who are not servicing customers. Blue jeans must be of appropriate size and can not be excessively baggy (or tight), free of holes or tears, and must be one color (no bleached or painted spots). Cut-off jeans are not allowed. Certain resort locations may be excluded from wearing jeans and your manager has the right to disallow any uniform choices.
- White socks (must cover the ankle bone)
- Tennis shoes/Walking shoes/Sneakers. At some Resort locations your shoes must be white, ask your manager for specifics
- If a hat is worn, attire is a WFR cap (or manager may choose style of hat for the location that all staff may wear)
- Your uniform should be clean and pressed and in good condition without holes, stains or noticeable wear.

Appearance requirements:

- Hair neat and presentable
 - Men: Faces must be clean-shaven.
 - Beards, goatees, mustaches are permitted and must be neatly trimmed and groomed at all times. Beards, goatees, mustaches may be grown during personal time and are subject to management approval upon return to work. Side burns may not be in excess of the ear lobe or flared.
- Jewelry must be kept to a minimum and not be obstructive, distracting or interfere with job functions.
- No body or facial jewelry/piercing (other than earrings)
 - One earring per ear is allowed for ladies only.
 - Tattoos that are concealed are acceptable. Tattoos that are visible must be concealed either by your uniform or other clothing

The above is required of all employees working in WFR outlets at all times. As with any other WFR policy, violations will be subject to disciplinary action, including termination for repeated offences.

Section

Key Personnel Policies

Subject

DRUG-FREE WORKPLACE

PURPOSE

To provide you with our policy supporting a drug-free workplace.

OVERVIEW

Maintaining a drug-free workplace is a Wheel Fun requirement, and is good for business.

**MAINTAINING
A DRUG-FREE
WORKPLACE**

Customers, team members, and others who come into contact with Wheel Fun should enter a safe and drug-free environment. Remember, we are a family-oriented business. Possessing, selling, or using alcohol or illegal drugs in or around a WFR outlet is unacceptable.

**HELPING A TROUBLED
TEAM MEMBER**

Offer help to team members who appear to have or tell you that they have a drug or alcohol problem. Follow the guidelines below:

- Maintain the team member's privacy.
- Never suggest that a team member has a drug or alcohol problem unless the person has come forward to you. Instead, say that you have noticed a problem with job performance.
- Assure your team member that the fact that he or she is seeking treatment will not put that person's job at risk.
- Tell a team member whose performance falls below par that you can not rule out disciplinary action.
- Let the team member know that you are concerned about his or her health and safety.

Section

Key Personnel Policies

Subject

HARASSMENT

PURPOSE

To provide you with our suggested policy regarding harassment in the workplace.

OVERVIEW

Enforcing an anti-harassment policy will help you run your team smoothly, contain your liability, and is required by law in your state.

POLICY

Wheel Fun forbids the harassment of any kind against customers or fellow team members, including harassment with a sexual or racial bent. Consult federal and state guidelines for specific policies and definitions.

**DEFINING
HARASSMENT**

Wheel Fun Rentals defines harassment as any verbal or physical behavior that creates an intimidating, hostile, or offensive working environment, including unwelcome sexual advances and requests for sexual favors.

**PREVENTING
HARASSMENT**

Let your team members know that you are serious about preventing harassment, and that they can come to you with problems and concerns. Create a working environment that is pleasant and a team that works together smoothly. Educate team members in behaviors that can be construed as harassment.

DEALING WITH
HARASSMENT

Follow the steps below if a team member comes to you with a complaint about harassment:

1. Ask the team member to describe the incident in detail. Get the names of any witnesses and gather any supporting information.
2. Schedule a meeting with the team member accused of harassment.
3. If you decide that the complaint is valid, terminate the team member or let the team member know that another incident will result in immediate termination.
4. Document everything that you said and that was said to you.

Maintaining
Confidentiality

Maintain confidentiality on all harassment allegations and incidents. Be aware that both the accuser and the accused have the right to privacy.

Section

Key Personnel Policies

Subject

EOE STATEMENT

PURPOSE

To provide you with our statement complying with the federal policy established by the Equal Employment Opportunity (EOE) Commission.

OVERVIEW

Obeying the EOE policy against discrimination is a federal requirement as well as a requirement of some states and municipalities.

EOE POLICY

Wheel Fun Rentals hires and treats employees without regard to race, color, national origin, religion, age, handicap, creed, or other protected criteria under Federal, State, and local equal opportunity laws.

Section

Disciplining Your Team

Subject

AT-WILL POLICY

PURPOSE

To provide you with an overview of our at-will employment policy.

OVERVIEW

Being familiar with our at-will employment policy is a necessary part of hiring and keeping a motivated team.

**AT-WILL
EMPLOYMENT**

When allowed by law, we strongly suggest that you operate on an “at will” employment agreement with your team members. Remember that this allows either you or your team member to end employment at will.

ADDED SAFEGUARDS

Three-Step Process

We strongly suggest that you follow the three-step disciplinary process (see Document Number 05-06-04) to lessen losses due to unemployment claims or possible lawsuits.

Upon Termination

Follow the termination guidelines below if a team member quits or is fired:

1. Document all terminations.
2. Complete the paperwork on the day of termination, including the Payroll Status Change Form (see Document Number 05-03-10) and Disciplinary Action Form (see Document Number 05-06-06).
3. Schedule an exit interview.

Section

Disciplining Your Team

Subject

EXCESSIVE ABSENCES

PURPOSE

To provide you with suggestions and procedures for dealing with team members who are absent too often.

OVERVIEW

Following an established course of action when dealing with team members who are absent too often will help you remain fair.

**STOPPING EXCESSIVE
ABSENCES**

We suggest that you try to work with a team member who is an otherwise valuable asset. Follow these steps once the team member returns from the latest absence:

1. Investigate the absence, and act accordingly:
 - If the absence is excused, suggest to the team member that the absences are adding up. If you think that the absence is due to a personal problem, encourage the team member to seek professional assistance.
 - If the absence is unexcused, you may need to discipline the team member.
2. Explain the importance of regular attendance. Tell your team member that the team depends on everyone working together and that excessive absences make everyone else's job harder. Explain that growth and greater earnings, in this or other organizations, will be hampered by poor attendance.
3. Thank the team member for listening to you and express your hope that the excessive absences will end.

Section

Disciplining Your Team

Subject

SUSPENDING A TEAM MEMBER

PURPOSE

To provide you with our suggestions for suspending a team member and the types of suspension that may be appropriate.

OVERVIEW

Using these guidelines will help you use suspension as an investigative and disciplinary tool.

WHAT IS A SUSPENSION?

Consider suspending a team member when there is strong evidence of wrongdoing, but when your investigation isn't complete. A credible allegation or grievance by one team member against another, possible theft, and a founded suspension that records have been falsified are examples of situations that may call for a suspension during an investigation.

**To Pay or not
to Pay**

Consider the facts of the situation as well as the past history of the team member and how much the team member contributes to your operation. Be aware that your decision to pay or not to pay during suspension may be a factor in whether or not the team member quits and may affect unemployment claims.

USING SUSPENSION
AS A DISCIPLINARY TOOL

After your investigation, you may terminate a team member that you believe is guilty of the violation or grievance. A violation of rules that is severe but does not deserve immediate termination, especially for an otherwise valuable team member, may call for an unpaid suspension. Terminate a team member immediately if the unacceptable behavior is repeated.

Steps to Follow

Follow the steps below when suspending a team member for disciplinary reasons:

1. Prepare a Disciplinary Action Form (see Document Number 05-06-06) that explains the reason for suspension.
2. Gather all documentation that relates to the reason for the suspension.
3. Schedule a meeting before the next work day, away from fellow team members.
4. Tell the team member the reason for the suspension and the length of the suspension. Explain that a reoccurrence of the unacceptable behavior will result in termination.
5. Ask the team member to sign and complete the Disciplinary Action Form.
6. Thank the team member for discussing the problem with you.
7. Be certain to file all documentation in the team member's Personnel File.

Section

Disciplining Your Team

Subject

DISCIPLINE: THE THREE STEP PROCESS

PURPOSE

To provide you with guidelines and procedures regarding the three step process we suggest you use when disciplining a team member.

OVERVIEW

Following the guidelines for the three step disciplinary process will reduce your liability and will help you run your team more smoothly.

**USING DISCIPLINE TO
STRENGTHEN YOUR TEAM**

A good manager is a good coach. Like a coach, a manager should make the most of the team, bringing out its strengths and helping team members to overcome their weaknesses. Create an environment that is productive and fun, and in which your people will grow and flourish. Do your best to train and motivate each team member.

When a particular team member consistently drags the others down, either through lack of ability or because of a poor attitude, consider beginning the three step disciplinary process, even if you believe that the team member probably won't shape up. Use the process to:

- Give the team member a chance to change.
- Make sure that you are being fair and acting in a level-handed way.
- Use in disputing an unemployment claim or a lawsuit.

**STEP ONE:
VERBAL WARNING**

A verbal warning is a formal, spoken notice to a team member that a serious problem needs to be addressed. Use this approach only if more casual comments and coaching haven't worked. You will often

succeed in correcting the problem at this stage. Follow these guidelines:

- Administer the warning in private, and maintain confidentiality.
- Tell the team member exactly what is wrong, and what can be done to fix the problem. Be specific and give examples.
- Try to keep the discussion as positive and non-threatening as possible, but tell the team member that this is the first step in a disciplinary course of action. Briefly explain the three step process.
- Document what you said on the Disciplinary Action Form (See Document Number 05-06-06) and what the team member said to you.

STEP TWO:
WRITTEN WARNING

A written warning is a formal, written reprimand to a team member that a certain behavior continues to be a problem. Use this approach if a verbal warning hasn't worked. Write a detailed description of the problem and what needs to be done to correct it. Follow these steps:

1. Prepare a formal warning on the team member's Disciplinary Action Form that details the problem, your past efforts to warn the team member, and the continued unsatisfactory performance.
2. Schedule a meeting with the team member in private for the sake of morale and to maintain the person's confidentiality.
3. Tell the team member again exactly what is wrong, and what can be done to fix the problem. Be specific and give examples. Remember to criticize the behavior, not the person. However, communication at this meeting should be more one-sided than at the prior meeting.
4. Ask the team member to read the warning and sign accordingly.

5. Tell your team member that improvement is mandatory and that the next step is dismissal. Explain the three step process.
6. Thank the team member for speaking with you.
7. Document in the Disciplinary Action Form what you said and what was said to you in return, including the fact that you told the person that the next step is dismissal.
8. Distribute the Disciplinary Action Form appropriately.

STEP THREE:
DISMISSAL

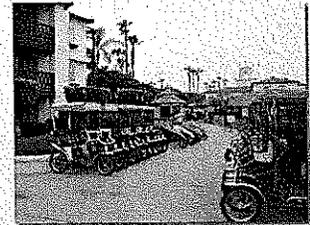
Dismissing a team member is a difficult and unpleasant task. However, it is necessary once you have tried all other ways to correct a problem. A team member who repeatedly breaks rules or who can not do the job must be let go so that the rest of the team can work more smoothly. Ultimately, this is the fairest course of action for everyone concerned.

Follow the steps below to make your dismissal run as smoothly as possible and to help contain your liability:

1. Schedule a meeting before the team member's next work day.
2. State the reason for the dismissal and tell the team member when you will mail the last paycheck. Try to keep things on a professional level. Try to avoid a conflict.
3. Express your regret that the team member did not perform up to Wheel Fun standards and that your decision was a business and not personal one. Wish the team member well for the future.
4. Ask the team member to sign the Disciplinary Action Form. If the team member refuses, ask another team member to come in and sign so that you have a record that the terminated person refused to sign.
5. Sign the Disciplinary Action Form yourself.

Document
Number 05-06-04

6. File the record in a safe place after the terminated team member has left.
7. Use this document in the event of an unemployment hearing or other legal action.



What Everyone Needs to Know

Advanced Mechanics Training

- Welcome & Orientation
- Part 1:
Product Safety Instructions
- Part 2:
Seat Adjustments
- Part 3:
Product Maintenance
 - Product Maintenance Tools
 - Product Maintenance "Quick Tips"
 - Changing a Tire

- Part 4:
Product Servicing & Repairs
 - Surrey Front Wheel Alignment
 - Surrey Chain/Wheel Adjustment
 - Surrey Brake Adjustment
 - Headset Adjustment
 - Chain Adjustment- Specialty Product
 - Rear Axle Adjustment- Specialty Product
 - Coaster Brake Adjustment- Specialty Product
 - Crank Assembly Adjustment- Specialty Product
 - Quad Sport Front Wheel Alignment
 - Slingshot Maintenance

Addendum 3 - Employee Handbook



Employee Handbook

POLICY

APPROVALS

President _____

CHANGE RECORD

Rev	Date	Author Change	of	Description of Change
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GENERAL INFORMATION

Corporate Address	4526 Telephone Road, #202 Ventura, CA 93003
Main Phone Number:	805-650-7770
Main Fax Number:	805-650-7771
General Office Hours:	9 AM to 5:00 PM
Telephone Hours:	9 AM to 5:00 PM
Lobby Hours:	9 AM to 5:00 PM

1.0 HOW TO USE THIS HANDBOOK

This handbook is provided for your use for informational purposes and as a ready reference. It is a summary of WFR's personnel policies, practices and benefits, and is designed to acquaint you with the Company's environment as quickly as possible. Accordingly, you must read the entire handbook promptly so that you will have a complete understanding of the material covered.

Please understand that this booklet only highlights Company policies, practices and benefits for your personal education and cannot therefore be construed as an employee contract of any kind and does not create any express or implied contractual obligations. In addition, circumstances will obviously require that policies, practices and benefits described in the handbook change from time to time. Consequently, the Company reserves the right to amend, supplement or rescind any provisions of this handbook, other than its employment-at-will provisions, as it deems appropriate in its sole and absolute discretion. Revisions are applicable immediately. As policies and benefits are revised, updated pages will be distributed to you. Please keep this handbook readily available and insert the updated material promptly so that it is current at all times. If any of your questions are not answered in this manual, please contact the Human Resources Department.

1.1 EMPLOYEE RELATIONS

One of the greatest resources WFR has is its employees. We promote an environment that is open and supportive. To maintain a viable and healthy organization, we must work together in a spirit of cooperation and accomplishment.

We encourage you to bring your issues to your supervisor or Human Resources. WFR will address your concerns with respect and guide you to the resolution of your issues in the best interest of yourself and the Company.

1.2 INTRODUCTION TO WFR

WFR was founded on December 9, 1999. Our focus is to recruit and support, through excellent training and service, an active group of franchisees and corporate locations, in the activity of recreational rentals in tourist and leisure destinations.

VISION & MISSION

VISION: Wheel Fun Rentals plans to become a nationwide specialty amusement rental brand, with an emphasis on pedal products and wheeled goods in the US vacation and leisure industry. In support of the above, the company will build its distribution and the development of unique products through franchised rental operators.

As time goes on, Wheel Fun Rentals will be a highly visible company known as the place to go for amusement rentals, within the resort and leisure activity landscape. We will have developed a network of over 225 franchised and company owned territories, with over 1000 outlets and will rent product to almost 6 million people annually. This will be driven on the heels of truly unique product and excellent service. Rental sales at the retail level will be in excess of \$40 million, while sales of product to franchise and company outlets will exceed \$10 million.

MISSION:

Develop a successful team of franchisees through solid training, effective communication and consistently superior service.

Provide innovative quality products and services which will drive the leisure time rental market to continuously higher levels.

Maintain a work environment that encourages excellence on the part of every one of our employees and franchisees.

CORPORATE PHILOSOPHY:

In order to accomplish our mission, we promote the following principals:

Clear definition of individual and company goals, profit sharing, flexibility at all levels of our organization, cooperation and open channels of communication. We encourage teamwork and the enthusiastic participation of all our employees and franchisees.

Wheel Fun Rentals is committed to provide an innovative concept with high profit potential and unique high quality products, and takes advantage of its management strength and experience to do so.

Equally important to us is how our products and services are used and the benefit they provide to the end consumer. Through their use, people can more fully enjoy their leisure time, in natural surroundings and achieve a better quality of life. We encourage an active, healthful lifestyle and actively support efforts to support our environment.

COMMITMENT TO QUALITY

It is the responsibility of all WFR employees to understand and maintain WFR goals and implement the systems procedures and work instructions that apply to their scope of work.

1.3 COMMITMENT TO EXCELLENCE

WFR is committed to a standard of excellence in the products and services that it provides its customers and in the quality of work expected of its employees. As a result of the demanding nature of the Company's business, employees are challenged to achieve their full potential, and to devote their best efforts to the Company's success. The Company, in turn, recognizes its employees for their contributions. Because the Company and its employees are judged on their performance and results, it is important that both retain the ability to determine their own relationships with one another. Consequently, employees and the Company share the rights to sever the employment relationship at will, at any time, with or without cause or advance notice. There are no express or implied covenants that in any way conflict with this right.

1.4 OPEN DOOR POLICY

In our spirit of willingness to listen, WFR believes in an open door policy. In order to have open communication, there must be mutual respect.

You are encouraged to see your immediate supervisor or any member of senior management with questions or issues relating to your job or feelings of well-being. Your supervisor's assistance may involve getting the aid of other resource personnel. You can also exercise your privilege of requesting a meeting with any management representative without regard to his or her position in the Company.

Please remember - do not keep an issue inside. You cannot reach a solution if no one knows about it. You may use this procedure without fear of reprisal.

2.0 EMPLOYEE CATEGORIES AND STATUS

In order to determine eligibility for various benefits, the following employee categories have been established:

Orientation Period

The first sixty (60) days of employment is a period for the new employee and supervisor to get acquainted. During this time, all new full-time and part-time employees and the company will have an opportunity to evaluate one another and the employee's compatibility, ability, and interest in the job. The employment of any employee may be terminated at any time during or after this 60-day period either by the employee or the employer without advance notice. In addition, the length of the orientation period can be extended one or more times by the employer in its discretion. Upon successful completion of the orientation period, the employee will be reviewed and considered a regular employee of the company.

Regular Full-Time Employees

An employee who is hired to work a minimum of thirty-two (32) hours per week on a continuing basis (year round), and who has completed the orientation period, is considered a regular full-time employee. They are eligible for all benefits following the 60 day orientation period.

Regular Part-Time Employees

An employee who is hired to work less than thirty-two (32) hours a week on a continuing basis, and who has completed the orientation period, is considered a regular part-time employee. They are not eligible for employer-sponsored benefits.

Regular Seasonal Employees

Seasonal employees are defined as those employees holding jobs of limited duration arising out of seasonality. An employee will not change from temporary status to another status unless specifically informed of such a change, in writing, by the Human Resources Department. Seasonal employees are not eligible for employer-sponsored benefits.

Temporary Employee

Temporary employees are defined as those employees holding jobs of limited duration arising out of, special projects, abnormal workloads or emergencies. An employee will not change from temporary status to another status unless specifically informed of such a change, in writing, by the Human Resources Department. Temporary employees are not eligible for employer-sponsored benefits.

Non-Exempt Employees

Non-exempt employees include all regular and temporary employees who are covered by the overtime provision of the Federal Fair Labor Standards Act or by any applicable state laws. Employees in the category are entitled to premium pay for work in excess of 40 hours in a workweek, eight hours in a workday or any other regular scheduled work week, or as may otherwise be regulated by applicable Federal and/or State Law.

Exempt Employees

Exempt employees include all regular and temporary employees who are classified as exempt from the overtime provision of the Federal Fair Labor Standards Act and any applicable laws.

Employee Status

Since all employees are hired for an unspecified duration, these classifications do not guarantee employment for any specific length of time. Employment is at the mutual consent of the employee and the Company. Accordingly, either the employee or the Company can terminate the employment relationship at will, at anytime, with or without cause or advance notice.

2.1 REHIRED EMPLOYEES

Employees who are rehired following a break in service in excess of one month other than an approved leave of absence must serve a new orientation period whether or not such a period was previously completed. Such employees are considered new employees from the effective date of their re-employment for all purposes of measuring benefits.

3.0 EMPLOYEE CONTRIBUTION REQUIREMENTS

Participation in the Company's health or dental insurance programs, when available, is entirely voluntary. In order to elect participation, employees must satisfy the eligibility requirements of the program and agree to pay the employee portion of the coverage costs for themselves and their eligible dependents. The Company grants each employee a monthly allowance to cover the employee's basic premiums. Employees who decline to pay their contributory share of coverage costs will be deemed to have waived coverage. In such a case, any opportunity to elect coverage in the future will be subject to the terms, conditions and limitations of the plan and insurance policies that are in effect at the time.

3.1 CHANGES OF EMPLOYEE INFORMATION

It is important that you keep your supervisor and the Human Resources Department informed of any changes in notification and status information. Your present address, phone number and emergency contact information are essential for many purposes and it is your responsibility to inform the Company of any changes. If your marital status or dependent status changes, you may have to change the number of exemptions claimed for income tax withholding purposes and to add or delete members of your family to the Company's health insurance plan.

3.2 JURY DUTY

If you are called for jury duty, the company does NOT make up the difference between the amount of pay you receive from the court and your normal pay for any work day for which you would otherwise have been scheduled to work. However, if any regular full-time employee would still like to serve on jury duty for a period of up to ten (10) working days, the employee must submit a "request for Leave of Absence" form and a copy of the summons to their supervisor. Employees must, upon return to work, provide their supervisor with a release from the court clerk. Employees are responsible for giving their supervisor reasonable notice if they are planning to serve on jury duty.

3.3 WITNESS DUTY

Any employee who is required by law to appear in court as a witness may take unpaid time off for such purpose provided they provide the employer with reasonable advance notice.

3.4 VOTING TIME

Because WFR has a continuing interest in encouraging responsible citizenship, employees are urged to vote for candidates and issues of their choice at local, state and national elections. If an employee does not have sufficient time outside of working hours to vote, employees may, without loss of pay, take off up to two hours of working time to vote. Such time must be at the beginning or end of the regular working shift, whichever allows the most free time for voting and the least time off from working. The employee must notify the supervisor at least two working days in advance to arrange a voting time and present a valid voter's registration card. When you return from voting, it is necessary to present a voter's receipt to your supervisor.

3.5 RECREATIONAL ACTIVITIES

WFR offers discount cards to WFR employees. These cards are available through your supervisor and/or manager. Additionally, the Company or its insurance carrier is not liable for the payment of workers' compensation benefits for any injury which arises out of an employee's voluntary participation in any off-duty recreational, social or athletic activity which is not part of the employee's work-related duties.

3.6 WORKERS' COMPENSATION

WFR furnishes workers' compensation insurance coverage at the Company's expense. Workers' compensation insurance is intended to provide medical care and pay for lost time resulting from injuries on the job and those illnesses caused by your work. Wage benefits, such as hospitalization, become effective following a waiting period. An employee who suffers any on-the-job injury, no matter how minor, must report that incident immediately to the department supervisor in order for the proper reports to be completed. If more than two workers' compensation incidents occur within a one year period, we will investigate and address the issues.

3.7 TOOLS AND EQUIPMENT

When tools or equipment are required by WFR and are necessary to perform the job, such tools and equipment will be provided and maintained by the Company.

4.0 EQUAL EMPLOYMENT OPPORTUNITY

Each qualified applicant and employee will receive equal opportunities in all phases of employment to include: recruiting, hiring, training, promoting, compensating, job assigning, transferring, benefit offering, and terminating based upon the individual's abilities without regard to race, color, religion, sex, marital status, ancestry, sexual orientation, medical condition (cancer related), national origin, age, disability, veteran status, or any other criteria prohibited by Federal and State Law. Wherever practical, the Company wants employees in the job that best suits their abilities, interests and skills, as well as the Company's needs. It is the Company's philosophy when filling positions to promote from within the Company in appropriate cases.

4.1 IMMIGRATION LAW COMPLIANCE

WFR is committed to full compliance with the federal immigration laws. These laws require that all individuals pass an employment verification procedure before they are permitted to work. This procedure has been established by law and requires that every individual provide satisfactory evidence of their identity and legal authority to work in the United States no later than three business days after beginning employment. Accordingly, all new hires must go through this procedure.

4.2 MINIMUM AGE REQUIREMENTS

All employees of the Company must be at least 16 years of age. Employees may be asked to provide proof that they are at least 16 years of age at any time. Employees under 18 must provide the Company with a work permit.

4.3 EMPLOYMENT OF RELATIVES

WFR does not maintain a strict policy that prohibits employment of relatives in all circumstances. However, there are significant restrictions on the employment of relatives under some circumstances. For example, the employer *may* refuse to place one relative under the direct supervision of the other relative for business reasons of supervision, safety, security or morale. For the same reasons, the employer *may* refuse to place both relatives in the same department or location if the work involves potential conflicts of interest or hazards that are greater for the relatives than for other individuals.

4.4 PROMOTIONS AND TRANSFERS

The Company encourages employees to apply for promotions to positions for which they are qualified. Promotions and transfers shall be based on an equal opportunity basis, strictly on the ability, qualification and potential of the candidates for the available positions.

Most positions will be posted for five (5) working days. Employees who are interested in posted positions should talk to the Human Resources Department. Eligible employees may bid on a posted job provided they have completed a minimum of six months of active service in their current position, *after having completed their 60 days*. The employee's performance must be satisfactory or better in their current position, and they must possess the minimum qualifications required for the positions to which a transfer is sought. If they meet the criteria, an Internal Job Bid Form may be submitted to Human Resources after obtaining approval from their current Supervisor and Department Head.

The employee's qualifications, past performance, potential and capacity to assume the increased responsibilities of the position applied for will be evaluated. When, in the Company's judgment, two or more candidates are equally qualified, current performance will be the determining factor.

4.5 EMPLOYEE REFERRALS

WFR's employees are strongly encouraged to recommend qualified candidates to fill existing position vacancies. If you know of a potential candidate for an open position, please contact the Human Resources Department.

5.0 SAFETY

Every employee is responsible for safety. To achieve our goal of providing a completely safe work place, everyone must be safety conscious. Please report any unsafe or hazardous condition directly to your supervisor immediately. If an accident occurs, both the employee and the employee's supervisor must complete an Accident Report Form. Every effort will be made to remedy problems as quickly as possible.

In case of accidents involving a personal injury, regardless of how serious, please notify your supervisor or the Human Resources Department immediately. Failure to report accidents can result in a violation of legal requirements, and can lead to difficulty in processing insurance and benefit claims.

If an employee is injured on the job, they will be entitled to medical treatment under the state workers' compensation law in most cases. WFR carries workers' compensation insurance and will assist employees to obtain all benefits to which they are legally entitled.

5.1 TRADE SECRET AND CONFIDENTIALITY AGREEMENT

The company may provide and make available to you certain information regarding our business, including without limitation:

- Various sales and marketing information;
- Training and reference manuals;
- Actual and potential customer and lead names, addresses, telephone numbers, and specific characteristics;
- Mailing labels;
- Sales report forms;
- Pending projects or proposals;
- Methods and business practices;
- Business plans and projections, including new product, facility or expansion plans;
- Pricing information (such as price lists, quotation guides, previous or outstanding quotations, equipment prices, or billing information)
- Estimating programs and methodology;
- The techniques used in, approaches, or results of any market research;
- Advertising sources;
- Employee salaries, contracts and wage information;
- Financial information about the Company;
- Customer information reports; and
- Mailing plans and programs

Whether written or verbal, or contained on computer hardware or software, disk, tape, microfiche or other media ("Information"). This Information is of substantial value and highly confidential, is not known to the general public, is the subject of reasonable efforts to maintain its secrecy, constitutes the professional and trade secrets of the Company, and is being provided and disclosed to you solely for use in connection with your employment by the Company.

In consideration of your employment and receipt of the Information, you agree that you:

1. Will regard and preserve the Information as highly confidential and the trade secrets of the Company;
2. Will not disclose, nor permit to be disclosed, any of the Information to any person or entity, absent written consent and approvals from Company;
3. Will not photocopy or duplicate, and will not permit any person to photocopy or duplicate, any of the Information without the Company's written consent and approval;
4. Will not make any use of Information for your own benefit or the benefit of any person or entity other than the Company;
5. Will return all Information to Company immediately upon request for same.

Nothing in this policy alters the at-will nature of the employment relationship.

5.2 CONFLICT OF INTEREST

An employee is required to avoid any conflict of interest during his or her employment by the Company. Any involvement that may conceivably conflict with an employee's duties or responsibilities or affect the employee's judgment in making a decision affecting the Company will be considered a conflict of interest. This includes any direct or indirect business, management or financial interest or activity, whether or not for compensation, in any business or entity that is a present or prospective competitor, supplier or vendor of the Company.

Employees may engage in or have outside business or personal interests or activities that do not constitute or have the potential of creating a conflict of interest with their employment by the Company. The Company requires that these activities or interests do not adversely affect an employee's capacity to perform his or her functions or result in conflicting loyalties.

5.3 OFF DUTY CONDUCT

While the Company does not seek to interfere with your off duty conduct, certain types of off duty conduct may interfere with the Company's legitimate business interests.

Employees are expected to conduct their personal affairs in a manner that does not adversely affect the Company's integrity, reputation or credibility. Off duty conduct that adversely affects the Company's legitimate business interests or an employee's ability to perform his or her work will not be tolerated and may result in discipline up to and including termination.

5.4 OUTSIDE JOBS

The company has no objections to you holding another job as long as you can effectively meet the performance standards for your position with the Company. The Company asks that you think seriously about the effects that such extra work may have on the limits of your endurance, your overall personal health, and your effectiveness with the Company. The Company will hold all employees to the same standards of performance and scheduling demands and cannot make exceptions for employees who also hold outside jobs.

An employee may not, during employment with the Company, work for a competitor of the Company without the written approval of Company management. Violation of this policy will be grounds for immediate termination.

5.5 COMPANY SECURITY

WFR observes the following security measures to protect employees and Company property, thus maintaining an orderly working environment.

All incidents of theft or illegal activities should be reported to management immediately and will be investigated promptly.

- a. No friends or relatives may enter Company premises without prior management approval.
- b. All employees must abide by management security requests.

In an emergency situation, always follow directions given to you by your manager.

Right to Search Employees

In the event of a theft or unauthorized taking of property by an employee, or suspected theft or unauthorized taking by an employee, we want to minimize the possibility of discipline based upon suspicion or subjective judgment. Therefore, the Company reserves the right to conduct searches of employees, their personal belongings, and any Company furnishings or equipment utilized by employees whenever we deem it necessary. An employee's consent to such searches is a condition of employment, and refusal may result in disciplinary action up to and including termination of employment, even for a first offense.

Right to Observe Employees

In our ongoing effort to achieve the highest level of business efficient and customer service, the Company reserves the Right to observe employees throughout the Company's premises, either by way of direct observation or through the use of electronic devices. The Company may install video cameras to monitor reception areas, work areas and/or other generally

open areas where employees may be seen by others. Therefore, employees should have no anticipation of privacy in the workplace, with the exception of restrooms.

6.0 TIMEKEEPING

Rest and Meal Periods

Except when otherwise agreed upon within the parameters defined by law, two fifteen-minute rest breaks, one during each four hour shift, are provided each full working day. These breaks may not be combined or added to an employee's lunch period. Each employee must record his/her time spent off Company property for any non-work related reason during the workday on their timecards.

Meal periods must be taken not more than five hours after the beginning of the employee's regular shift. Non-exempt employees must clock out when they start their lunch period and clock in when they return to work.

Except when otherwise agreed upon, rental location employees will remain on a 30 minute meal and 15 minute break fixed schedule to be communicated by management. If you work 2 hours or more of consecutive overtime, you will be given an additional 10 minute break. If you work less than 2 hours of consecutive overtime, you will not receive an additional break.

Rest and meal periods are intended to provide employees an opportunity for rest and relaxation. Accordingly, they should be enjoyed away from employee work areas and employees are not permitted to perform any duties during such periods. Employees are entirely relieved of responsibilities and restrictions during their meal periods, unless they have agreed with the employer in writing to work an on-duty meal period that will be paid for by the employer.

Time Clocks and Punching-In/Out

Non-exempt employees are responsible to ensure that their reporting of time is accurate and complete. Falsification of reporting time or clocking another employee in/out will result in **immediate termination**. Calculation of total hours will be done by your supervisor and/or manager.

6.1 TIMEKEEPING DEFINITIONS

Double-Time

Overtime hours in excess of twelve hours in a workday or in excess of eight hours on the seventh consecutive day of work are paid at double-time. For example, If you work Tuesday through Sunday, all hours worked on Monday will be paid at the double-time rate.

Overtime

Employees shall be paid for their hours worked in accordance with all legal requirements. Employees who qualify as salaried employees within the legal meaning of the state and federal wage and hour laws are exempt from overtime pay and are not subject to this policy. All non-exempt employees qualify for overtime.

All overtime work by a non-exempt employee **must be approved** in advance by an employee's supervisor. Because unauthorized overtime is against Company policy, employees who work unauthorized overtime are subject to discipline, possibly including termination.

Time Worked

Non-exempt employees shall record all time worked by punching in and out on the time clock or fill out a time card. Employees who clock in early and/or clock out late will not be paid for such time provided that the employee is not engaging in any work during such periods and prior overtime authorization has not been approved.

Weekends

Weekend work does not automatically qualify for compensation at a premium rate of pay. Hours worked on Saturdays and/or Sundays qualify for premium pay only if they qualify as overtime hours under the standards noted above.

6.2 PAYROLL

Paydays and Pay Periods

WFR's payday is the 15th & last day of each month. Each paycheck covers work performed through the completion of the posted pay period. If payday happens to be a holiday or weekend, paychecks will be delivered the day prior. Direct Deposit is a benefit available to all employees. WFR encourages all employees to take advantage of this free service. Although WFR does everything possible to deliver paychecks by the established payday, the company cannot control what delays may be caused within the United States Postal Service.

Payroll Deductions

Certain deductions required by law will be made from each employee's wages. These include state and federal income taxes, social security taxes (FICA), and state disability insurance (SDI) payments. Deductions will also be made for health insurance premiums for employee and dependent coverage if elected by the employee. Employees may sign-up for pre-tax health insurance premium deductions. Additionally, other deductions may include payments due the Company for goods or services requested and received by the employee on behalf of the employee or a member of their family.

Garnishment of Wages

Employees are responsible for their own debts. Garnishments cause considerable paperwork and expense for the Company. Although we understand that a wage garnishment can happen to anyone, we strongly encourage employees to work out a financial problem before this situation occurs. Furthermore, the Company is required by law to recognize certain court orders, liens and wage assignments.

6.3 COMPENSATION

Wages and Salaries

WFR's compensation program is administered by the Human Resources Department to ensure compliance with all applicable laws regulating hours of work and compensation.

Performance Appraisals

An objective appraisal of individual performance on a regular basis is a valuable tool for guiding and counseling employees and encouraging their self-development. They provide an objective, consistent and fair way to gauge each employee's on-the-job effectiveness. The evaluation process should inform employees of their standing in the Company and communicate expected standards of performance. It is also used to discuss work standards, identify and plan individual goals and objectives, identify areas where skills and/or behaviors need to be strengthened, and career development potential.

Merit Increases

Merit increases are determined by your Supervisor or Manager with concurrence of the Human Resources Department. The increase is based on an evaluation of the individual's performance in accordance with the Company's annual increase budget. Performance Appraisals do not guarantee a merit increase.

6.4 WORK SCHEDULE

The basic day of work for full-time employees is eight hours, exclusive of the meal period. Various factors, such as workloads, operational efficiency, and staffing needs, may require variations in an employee's starting and quitting times and total hours worked each day or each week. The employer reserves the right to assign employees to jobs other than their usual assignments when required. In addition, employees may be required to work overtime or hours other than those normally scheduled whenever necessary. WFR does not guarantee any particular number of hours a week and reserves the authority to schedule employees and to deviate from normal shifts in whatever manner they deem appropriate.

7.0 LEAVES OF ABSENCE

Pregnancy Leaves of Absence

An employee shall be granted a leave of absence due to a disability arising from pregnancy or childbirth.

Request for Leave – No employee shall be granted a pregnancy leave unless she submits a written request for pregnancy leave, and, in addition, furnishes a doctor's written certification stating the beginning date and length of such leave. Written updates may be requested from time to time thereafter. Failure to provide the above information is grounds for denial of a pregnancy leave of absence.

Length of Leave – A pregnancy leave of absence shall be for a reasonable period of time during which an employee is disabled, but the leave of absence shall **not** exceed a maximum of four months.

Compensation and Benefits – Pregnancy leave is without pay. The Company will, however, continue to pay the premium for the employee's health insurance that the Company would have paid but for the employee's leave. *The employee will be responsible for paying for the employee portion of the health insurance premium, and such payment will be due at the same time as if it had been made by payroll deduction.* Such Company payment will continue for a maximum of 12 weeks in any 12 month period.

Return from Leave – An employee returning from a pregnancy leave of absence **must** furnish a doctor's written certification of her fitness to perform the essential functions of her job, with or without reasonable accommodation.

Upon return from such a leave of absence, the Company will use its best efforts to return the employee to the same position held prior to the leave of absence. If this position is not available, a comparable position will be offered.

Pregnancy Accommodation – In lieu of a pregnancy leave of absence, a pregnant employee may request a transfer to a less strenuous or hazardous position. If such a transfer can be reasonably accommodated, a pregnant employee will be transferred for the duration of her pregnancy, provided that she submits a written request for such transfer, and, in addition, furnishes a doctor's written certification attesting that the transfer request is upon the doctor's advice. However, the Company will not undertake to create additional employment that the Company would not otherwise have created to meet its own business needs, nor will the Company be required to discharge any employee, transfer any employee with more seniority than the pregnant employee, or to promote any employee who is not qualified to perform the job. Upon transfer, an employee will receive the salary and benefits which are regularly provided to employees in the position to which the employee has transferred.

Family and Medical Care Leave

After one year of aggregate employment, any employee who has worked at least 1250 hours (excluding vacations, holidays, sick leave and leaves of absence) during the immediately preceding 12 month period will be granted an unpaid leave of absence due to the birth of a child, the placement of a child by adoption or for foster care, to care for a child, spouse or parent with a serious health condition, or on account of the employee's own serious health condition.

Length of Leave – Leave time may not exceed 12 weeks off in any 12 month period, commencing with the first day on which any family and medical care leave is taken. A family and medical care leave may be taken in addition to any leave of absence that an employee may be entitled to on account of a disability resulting from pregnancy.

No more than a combined total of 12 weeks of family and medical care leave in a 12 month period will be granted to a husband and wife who both work for the Company where the leave is taken on account of the birth of a child, placement of a child by adoption or for foster care, or to care for a child, spouse or parent with a serious health condition.

If the leave is required due to a planned medical treatment, the employee must make a reasonable effort to schedule the treatment to avoid disruption of the Company's operations.

Use of Vacation– An employee who takes a family or medical care leave must substitute for such leave any vacation time that the employee may have accrued.

Intermittent Leave – If the leave is due to a serious health condition in the employee's family or the employee's own health problems, it will, upon request, be granted to an employee on an intermittent basis. If the employee has requested intermittent leave, the Company may temporarily transfer the employee to another position which better accommodates recurring periods of leave, provided that the employee is qualified for the other position and that the employee continues to receive equivalent pay and benefits.

Request for Leave – No leave will be granted to an employee unless he or she submits a written request for a family and medical care leave stating the beginning date and length of such leave. If the employee's need for family or medical care leave is foreseeable; the employee must provide the required information in advance and offer updates as required from time to time thereafter. Failure to comply with these requirements is grounds for denial of a family or medical care leave.

Where the leave is requested to enable the employee to care for a seriously ill child, spouse or parent, or because of the employee's own serious health condition, the employee must furnish a written certification, on a form provided by the Company, including the date the serious health condition commenced, and an estimate of the probable duration of the condition. For leave to enable the employee to care for a seriously ill child, spouse or parent, the written certification must also contain an estimate of the amount of time that the doctor believes the employee needs to care for the family member, and a statement that the serious health condition warrants participation of a family member to provide care during a period of treatment or supervision.

For leave because of the employee's own serious health condition, the written certification must also indicate if the employee is unable to perform work of any kind or is unable to perform the essential functions of the employee's job as set forth in the employee's written job description.

Industrial Medical Leaves of Absence

An employee shall be granted a leave of absence due to industrial illness or injury. Any leave taken under this provision qualifies as Family and Medical Care Leave and will be counted as such.

Request for Leave – An employee must submit a written request for an industrial medical leave of absence, and, in addition, furnish a doctor's written certification stating the cause, beginning date and length of such leave. Written updates may be requested from time to time thereafter. Failure to provide the above information is grounds for denial of an industrial medical leave of absence.

Length of Leave – An industrial medical leave of absence shall be for a reasonable period of time during which an employee is disabled, but the leave of absence shall not extend beyond the time that the employee is deemed "permanent and stationary."

Use of Vacation – An employee who takes a leave for industrial illness or injury must substitute for such leave any vacation/sick leave time that the employee may have accrued.

Compensation and Benefits - Leaves of absence for industrial illness or injury are without pay from the Company, but the employee may be entitled to disability payments under the Company's Workers' Compensation insurance policy. The Company will, however, continue to pay the premium for the employee's health insurance that the Company would have paid but for the employee's leave. *The employee will be responsible for paying for the employee portion of the health insurance premium, and such payment will be due at the same time as if it had been made by payroll deduction.* Such Company payment will continue for a maximum of 12 weeks up any 12 month period.

Return from Leave – An employee returning from an industrial medical leave of absence must furnish a doctor's written certification of his or her fitness to perform the essential functions of his or her job, with or without reasonable accommodation.

Upon return from such a leave of absence, the Company will use its best efforts to return the employee to the same position held prior to the leave of absence. If this position is not available, a comparable position will be offered.

Military Leaves of Absence

An employee who enters the armed forces of the United States shall be placed on extended leave without pay in accordance with federal laws.

Return from Leave – Upon completion of military service, the employee will be reinstated with full seniority to his/her former position or to a comparable position if application for reemployment is made within 90 calendar days from release from the service or hospitalization.

National Guard Service – An employee who is a member of the National Guard or a reserve component of the armed forces shall, upon furnishing a copy of the official orders or instructions, be granted a military training leave. Training leaves shall not, except in an emergency or in the event of extenuating circumstances, exceed two weeks a year, plus reasonable travel time. The employee may choose to take vacation, if accrued, during military training.

Accrual of Benefits While on Leave of Absence

Vacation days and holidays do not accrue during any period of a leave of absence.

Failure to Return After a Leave of Absence

Failure to return from leave of absence by the scheduled time may result in termination.

Alcohol and Drug Rehabilitation Leave

The Company wishes to assist employees who recognize that they have a problem with alcohol or drug use that may interfere with their ability to perform their job in a satisfactory manner.

If you have a problem with alcohol or drugs and decide to enroll voluntarily in a rehabilitation program, you will be given unpaid time off to participate in the program unless it would result in an undue hardship to the Company. If you request time off to participate in such a program, the Company will also make reasonable efforts to keep confidential the fact that you have done so.

You may use accrued vacation/paid time off while on leave. However, additional benefits will not be earned during the leave of absence. The leave will be subject to the same provisions and rules as apply to medical leaves.

The Company will not continue to employ any person whose performance of essential job functions is impaired by drug or alcohol use. Nor will the Company re-employ any person who has participated in alcohol and drug rehabilitation if the person's job performance remains impaired as a result of dependency. Employees who are given the opportunity to seek rehabilitation, but fail to successfully overcome their dependency will not be given a second opportunity to seek treatment. This policy on treatment and rehabilitation is not intended to affect the Company's treatment of employees who violate the Company's drug and alcohol policy. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

7.1 SCHOOL VISITATION

Because the Company realizes the importance of the family obligations that many employees bear, you will be granted up to forty (40) hours each year, not to exceed eight (8) hours per month, to visit your child's or grandchild's pre-school, nursery school, elementary or secondary school for parent conferences, special programs and the like. You may take off such additional time as may be deemed necessary to attend your child's or grandchild's school in order to discuss your child's or grandchild's possible suspension or expulsion.

If you will be visiting your child or grandchild's school, you should alert your supervisor as soon as possible so that alternative arrangements can be made.

If both parents of a child are employed by the Company, only one (1) parent may take time off to attend a particular school activity. The parent who first gives notice of a planned absence will have preference for time off.

You may use vacation/paid time off for such absences, otherwise, school visitation time will be unpaid. However, the salary of an exempt employee will not be reduced if he or she misses only a portion of a day for school related activities.

8.0 EMPLOYEE CONDUCT AND WORK RULES

Whenever people are required to work together for any purpose, they need certain guidelines to govern their personal conduct and relations. WFR considers work rules to be an important responsibility. They are a necessary part of managing our business so that employees can be treated fairly and work safely and effectively. These rules apply to all employees.

Violation of the rules identified below may call for some form of disciplinary action. In some cases, the action may result in either verbal or written warnings, suspension or discharge. In serious cases or cases where an employee has previously

violated the same or other rules or is not performing at an acceptable level, the employee may be subject to immediate discharge. It is necessary to point out that the types of misconduct identified below are merely examples of conduct that may lead to disciplinary action. They are not a complete list of all types of conduct that can result in disciplinary action, up to and including discharge.

Work Rules

Violation of any of the following work rules, because of their seriousness, may result in immediate discharge without a warning:

1. Obtaining materials or tools on fraudulent orders or misrepresentations
2. Obtaining employment based on false or misleading information, or falsifying information or cognizant omissions in any documents or records pursuant to any Company inquiry or investigation
3. Destruction or damage to Company property or supplies, or the property of another employee, customer or visitor
4. Theft, any discrepancy in the outlined procedures/controls for product rental or inappropriate removal from Company premises or unauthorized possession of property that belongs to the Company, another employee, customer or visitor
5. Bringing or possessing firearms, weapons or any other hazardous or dangerous devices on Company property or during on-duty time
6. Possession, distribution, sale or use of alcohol or any unlawful drug while on duty or while on Company premises, or reporting to work or operating a Company vehicle under the influence of alcohol or any unlawful drug.
7. Immoral or indecent conduct on the Company site, including abusive or threatening language or harassment of any employee or the making of false or malicious statements or defaming another employee of the Company
8. Divulging confidential information to an unauthorized person or making a disclosure of confidential information regarding the Company to any person, agency, publication, radio or television station without expressed authorization from the Company
9. Moonlighting during personal or vacation time for a competitor because of proprietary secrets that may be passed along to a competitor and may be damaging to the company.
10. Behavior which results in an impairment to overall operations, or failure to follow safety rules
11. Falsifying or destroying time cards; failure to follow time reporting policies; making entries to another employee's time card
12. Recording, by tape or video, conversations with management or co-workers without authorization
13. Insubordination

Infractions of the following rules will, depending on the seriousness of the offense and all pertinent facts and circumstances, result in disciplinary action, including a verbal or written warning, suspension or discharge:

- a) Leaving the Company site during working hours without the prior approval of your supervisor, except during your authorized lunch period
- b) Failure to return to work from an authorized leave of absence
- c) Being absent from work for three (3) consecutive working days without calling in
- d) Abusive, intimidating or threatening conduct towards a fellow employee
- e) Frequent or excessive tardiness or absence from work or employee's work area
- f) Fighting or attempting bodily injury to others on the Company site
- g) Unsatisfactory work performance
- h) Insubordination, including refusal to do assigned work or refusal to perform work in the manner described by a supervisor, without proper justification
- i) Noncompliance or disregard of an established safety rule
- j) Horseplay or any other action that endangers other, Company property, or disrupts work
- k) Smoking in restricted areas
- l) Harassing, threatening, intimidating or coercing any other employee
- m) Failure to abide by set standard for lunch and break periods, and working unauthorized overtime
- n) Failure to report off-the-job accident or injury which may affect the performance of your job
- o) Gambling during work or on Company property
- p) Working on personal business or projects during Company time and using Company property, including but not limited to, tools, equipment, or telephones for personal use without authorization
- q) Creating or contributing to unsanitary or disorderly housekeeping conditions
- r) Soliciting employees during work or on Company property
- s) Distributing non-Company related literature or circulating petitions during work or on Company premises
- t) Failure to use safety equipment required by the Company or to comply with safety rules
- u) Posting or removing notices without prior management authorization

8.1 PROGRESSIVE DISCIPLINE/EMPLOYEE COUNSELING NOTICES

The Company must maintain the ability to discipline employees where it determines that such action is warranted by the circumstances. Although all employment relationships are terminable at will, at any time, either at the employee's option or at the option of the Company, WFR may exercise its discretion to administer a system of progressive discipline in cases where it deems it appropriate to do so. That system may include various forms of discipline, such as a verbal counseling, one or more written counseling, and termination. However, progressive discipline is not mandatory or binding. The Company reserves the right, at its discretion, to deviate from any formal system of discipline.

8.2 GRIEVANCE PROCEDURE

If you have a complaint, discuss it with your supervisor. If your immediate supervisor's response does not satisfy you, or if you do not feel you can discuss your problem with the supervisor, the matter can be taken to senior management. Be assured that your problem will be investigated in a timely manner. Upon completion of the investigation, senior management will report its findings and solutions/conclusions to the employee.

If an employees has filed a complaint in good faith, the employee should not be disciplined or otherwise penalized because of the complaint, regardless of whether or not the complaint is justified. If it appears that the complaint was not filed in good faith, approval of the President or Executive Vice President may be obtained before taking any action.

8.3 TERMINATION AT WILL VS. FOR CAUSE STATEMENT

It must be remembered that the employment relationship is based on the mutual consent of the employee and the Company. Accordingly, either the employee or the Company can terminate the employment relationship at will, with or without cause or advance notice, at any time.

No employee or representative of the Company other than the President has any authority to enter into any agreement for employment for any specified period of time or to make any agreement that is contrary to the employment-at-will policy. Further, the President of the Company may not alter the at-will nature of the employment relationship unless he/she does so specifically in a written agreement. This written agreement must be pre-approved by a legal counsel before it is signed both by the President and the employee.

8.4 PRIVACY OF EMPLOYEE INFORMATION

Release of Information

WFR is committed to protecting and respecting information about its present or former employees. If you receive a request for information about a present or former employee, the Company expects you to refer such a request to the Human Resources Department or to senior management for response. To ensure that only necessary information is related to an individual's need for this information, the Company's standard practice is as follows:

Information within an employee's official personnel file will be released by an Human Resources representative only to other WFR Human Resources representatives, management, attorneys acting on WFR's behalf, Workers Compensation and Unemployment Compensation representatives, or to identified representatives of federal, state or local agencies and officers of the court.

For requests from any other sources, any Human Resources representative will release only an acknowledgment of the employee's service with WFR, dates of employment, position held and date of termination, if applicable. The release of any other information pertaining to the employee will require the employee's signature.

8.5 REVIEWING YOUR PERSONNEL RECORDS

As an employee, you may review your personnel records. To do so, you need to schedule an appointment with senior management. This is to be done during the course of a regular business day, during the employee's free time and by appointment only. You are entitled to receive a copy of any document in your personnel file that is signed by you.

8.6 POLICY AGAINST HARASSMENT

WFR is committed to providing a work environment that is free of discrimination. In keeping with this commitment, WFR maintains a strict policy prohibiting unlawful harassment, including sexual harassment. This policy prohibits harassment in any form, including verbal physical and visual harassment. This policy applies to all employer agents and employees, including supervisors and non-supervisory employees.

Sexual harassment includes, but is not limited to, making unwanted sexual advances and requests for sexual favors where either (1) submission to such conduct is made an explicit or implicit term or condition of employment; (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individuals; or (3) such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment. Employees who violate this policy are subject to discipline, up to and including termination.

Any employee who believes he or she has been harassed, for any reason, by a co-worker, Supervisor or agent of the employer should promptly report the facts of the incident or incidents and the names of the individuals involved to his or her Supervisor, or, in the alternative, to senior management. Supervisors should immediately report any incidents of harassment to senior management who will investigate all such claims and take immediate appropriate disciplinary action.

If you have any questions concerning this policy, please feel free to contact senior management.

8.7 ABSENTEEISM, TARDINESS AND PUNCTUALITY NOTIFICATION

Regular attendance and punctuality are expected of all employees. If you are unable to work or will be more than fifteen (15) minutes late, please notify your supervisor. If you are unable to reach your supervisor, please leave a message in your supervisor's voice mailbox. Such notice must be given within one hour of the beginning of the shift. In addition, if you are working at a rental location you must call the location to notify the staff.

Disciplinary action up to and including immediate termination may be imposed against an employee who is absent for one or more days without proper notice or justification found satisfactory by the employer. An employee who is absent for three or more consecutive days without reporting or calling will be considered to have abandoned his or her job.

8.8 RULES REGARDING DRUGS AND ALCOHOL

WFR has always maintained a strong commitment to provide a safe, efficient and productive work environment. The Company wishes to ensure that employees will perform their duties safely and efficiently in a manner that protects their interests and those of their co-workers. The Company also desires to promote efficiency in the work place and to provide the highest quality products and services. In keeping with this commitment, the Company has a strict policy regarding the inappropriate use and possession of drugs and alcohol. This policy recognizes that employee involvement with alcohol or drugs can be extremely disruptive and harmful to the work place. It can adversely affect the quality of work and the

performance of employees, pose serious safety and health risks to the user and others, and have a negative impact on work efficiency and productivity. Accordingly, the Company requires all employees to report for work fit to perform their jobs and prohibits the use or possession of alcohol or illegal drugs. All employees must adhere to the rules stated in this policy.

No employee may use, possess, transfer, distribute, manufacture or sell alcohol or any illegal drug while on the Company's property, while on duty, while on on-call status or while operating a vehicle or potentially dangerous equipment that is owned or leased by the Company. In addition, no employee may report for work or go or remain on duty or on on-call status while under the influence of or impaired by an illegal drug or alcohol. For purposes of this policy, a drug will be considered an illegal drug" if its use is prohibited or restricted by law and an employee improperly uses or possesses the drug, regardless of whether such conduct constitutes an illegal act or whether the employee is criminally prosecuted and/or convicted for such conduct.

It is essential that all employees comply fully with this policy. Employees who violate this policy are subject to disciplinary action up to and including immediate discharge.

8.9 SMOKING

WFR is committed to a philosophy of good health and a safe work place. In keeping with this philosophy, it is important that the work place and office environment reflect the Company's concern for good health. Smoking is therefore not permitted inside Company offices or any work areas. Employees who wish to smoke must limit their smoking to Company authorized break and meal periods. Smoking is only permitted outside of the work premises and away from customer view.

8.10 VOICEMAIL, E-MAIL, AND COMPUTER FILES

Company provided voicemail, E-mail, and computers are to be used for business purposes only, and may not be used for personal business. These systems are maintained by the Company in order to facilitate Company business. Therefore, all messages sent, received, composed and/or stored on these systems are the sole property of the Company. Company computers should not be used to access on-line databases or Internet services unless such access is for work related purposes.

The Company understands that on occasion family members or others may need to leave personal messages on the voice mail system for an employee, and is willing to accommodate this to a limited degree. However, personal use of the voice mail system which interferes with an employee's work performance will not be permitted.

Messages or communication on the Company's voice mail, e-mail or computer systems are subject to the same policies regarding harassment and discrimination as are any other workplace communications. Offensive, harassing or discriminatory content will not be tolerated by the Company. Content that is considered offensive includes, but is not limited to, any message which contains sexual implications, racial slurs, gender-specific comments, or any other statement that offensively addresses someone's age, sex, sexual orientation, pregnancy status, marital status, religious or political beliefs, ancestry, national origin, citizenship or disability.

Employees should have no anticipation of privacy with respect to Company provided voice mail, E-mail and computer based communications. Even when a message is erased, it may still be possible to retrieve it from a backup system. Therefore, employees should not rely on erasure of messages to guarantee that a message remains private. The Company reserves the right to listen to employee voice mail and read E-mail messages and to access employee computer files to ensure compliance with these rules. This may be done without notice to an employee and in the employee's absence.

Notwithstanding the Company's right to retrieve and review such material, such material should be treated as confidential by other employees and accessed only by the intended recipient. Employees are not authorized to retrieve any voice mail or E-mail messages that are not addressed to them.

Employees are prohibited from using passwords without prior Company authorization and registration. The existence of a password on voice mail, e-mail or computer systems is not intended to indicate that messages or other communication will remain private.

Employees are prohibited from loading any software onto a Company provided computer where such action would violate the software license. Employees are prohibited from loading any software onto a Company provided computer without the express approval of their manager or supervisor.

The E-mail system should not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary information, or similar matter without prior authorization from the Company.

8.11 PERSONAL USE OF EMPLOYER PROPERTY

WFR owned or leased computers and/or associated equipment must be used exclusively for the purposes of fulfilling job requirements. Use of any computer and/or associated equipment for non-job related purposes during working hours is not permitted. Use of such equipment during working hours may lead to disciplinary action up to and including termination. No modification of system hardware and/or software is permitted without permission.

Telephones

In order to ensure that telephone calls are handled in a professional and business like manner and to promote employee efficiency, the Company may monitor employee telephone calls. Therefore, employees should have no anticipation of privacy for either incoming or outgoing calls made on Company provided telephone equipment.

Company phones are for business use only. Exceptions to this policy are for personal emergencies and transportation arrangements only. Personal use of company telephones, for other than emergencies and transportation arrangements, is an implied agreement between employee and Wheel Fun Rentals that said phones calls will be charged to employee through payroll deduction.

8.12 THEFT

Wheel Fun Rentals owners and managers know the most common ways staff theft occurs:

- Taking money from the cash drawer.
- Renting product without a contract.
- Renting more products than are listed on a contract.
- Renting a different (more expensive) product than is listed on the contract.
- Extra time offered and not recorded on the contract.

To avoid staff theft your manager will do the following:

- Place random calls to customers to assure they received excellent service, as well as confirm product rented and amounts paid.
- Have unannounced ghost shoppers whose objective is to critique service levels and confirm staff is doing everything they should be doing.
- Have unannounced observers. Staff will be observed from a distance at certain times during the year, with auditing of rental transactions and grading of performance.
- Regularly check daily and weekly sales records and compare them to previous weeks and previous years.

PLEASE BE REMINDED

ANYONE WHO STEALS, VANDALIZES, OR EMBEZZLES WILL BE IMMEDIATELY TERMINATED AND PROSECUTED TO THE FULL EXTENT OF THE LAW!

8.13 PERSONAL APPEARANCE

Each employee will be provided a WFR logo shirt. Additional shirts, as well as optional WFR attire is available for purchase by all employees. It is recommended that additional shirts be purchased to assure availability of a clean uniform for every shirt. Additionally, as shirts get worn/soiled, employees are encouraged to purchase replacements.

Optional purchases: WFR logo – Polo Shirt \$20, Hat \$9, Sweatshirt \$29, Fleece Vest \$36

Work attire:

- WFR logo shirt or any WFR logo sweatshirt or vest can be worn over shirt
- Navy Blue shorts, Capri's or slacks with belt or navy blue nylon sweats (must be solid blue, no stripes) Shorts must not be below the knee and no shorter than mid-thigh. Pants and shorts cannot have large baggy pockets and must have belt loops.
- Blue jeans are only permitted for mechanics and employees who are not servicing customers.
- White socks (must cover the ankle bone)
- Tennis shoes/Walking shoes/Sneakers. At some Resort locations your shoes must be white, ask your manager for specific locations.
- If a hat is worn, attire is a WFR cap (or manager may choose style of hat for the location that all staff may wear)
- Your uniform should be clean and pressed and in good condition without holes, stains or noticeable wear.

Appearance requirements:

- Clean and a generally well groomed appearance
- Shirt, tucked-in
- Hair neat and presentable
- Men: Faces must be clean-shaven.
- Beards, goatees, mustaches are permitted and must be neatly trimmed and groomed at all times. Beards, goatees, mustaches may be grown during personal time and are subject to management approval upon return to work. Side burns may not be in excess of the ear lobe or flared.
- Jewelry must be kept to a minimum and not be obstructive, distracting or interfere with job functions
- No body jewelry/piercing (other than earrings)
- One earring per ear is allowed for ladies only.
- Tattoos that are concealed are acceptable. Tattoos that are visible must be concealed either by your uniform or other clothing

The above is required of all employees working in WFR outlets at all times. As with any other WFR policy, violations will be subject to disciplinary action, including termination for repeated offences.

Neatness and cleanliness are absolutely necessary at all times. Clothing should always be neat and clean. Employees should dress professionally and appropriately, in good taste and according to the requirements of their position, including the appropriate uniform. If there are any questions as to what constitutes proper attire within a given department, the supervisor or department head should be consulted.

If it is determined that an employee is dressed inappropriately, the employee may be sent home to change attire and return to work.

8.14 NO SOLICITATION POLICY

To avoid interruption of your work and protect you from unnecessary annoyance, employees are not permitted to solicit other employees on working time for any purpose. Distribution of literature during working time is not permitted. Distribution of literature in working areas is prohibited at all times.

Working time does not include break periods and meal times or other periods during the workday when employees are properly not engaged in performing their work tasks. Working time includes the working time of both the employee doing the soliciting or distributing and the employee to whom the solicitation or distribution is being directed.

Persons who are not employed by the Company may not solicit or distribute literature on Company property at any time for any purpose.

8.15 BULLETIN BOARDS

Information of special interest to all employees is posted regularly on bulletin boards or other posting areas, located in various locations. Employees may not post any information on these bulletin boards without the express authorization of senior management. All requests to place information on bulletin boards or other posting areas should be made directly to senior management.

The Human Resources Department maintains bulletin boards where all notices of state and federal laws are located, as well as information and notes regarding changes in policies, and all job postings.

9.0 DISCIPLINE AND DETERMINATION

WFR maintains a progressive discipline procedure to ensure a fair method of disciplining employees. The progressive discipline system is intended to give employees advance notice, whenever possible, of problems with their conduct or performance in order to provide them an opportunity to correct any problems. Normally, progressive discipline involves verbal counseling, and one or more written warnings, before an employee is terminated. However, exceptions or deviation from the normal procedure may occur whenever the Company deems that circumstances warrant that one or more steps in the process can be skipped. Accordingly, either the employee or the Company can terminate the employment relationship at will.

9.1 RESIGNATION

If you find it necessary to resign, you are requested to give advance notice in writing to your supervisor specifying the last day you will be at work. This date will be considered the effective date of your resignation. Full-time or regular part-time employees are asked to give at least two (2) weeks advance notice of the effective date of a resignation. Employees who do not provide the requested notice may be considered ineligible for rehire.

9.2 REQUESTS FOR INFORMATION

Regarding Current or Former Employees

WFR is extremely concerned about the accuracy of information provided to individuals outside the Company regarding current or former employees. Consequently, no employee may provide (either on or off-the-record) any information regarding current or former employees to any other employee or non-employee. This includes letters of reference or phone references only. Human Resources is the only entity authorized to release employee information. This information consists of job titles and dates of employment for current and former employees. Additionally, written authorization is required before any salary information is furnished.

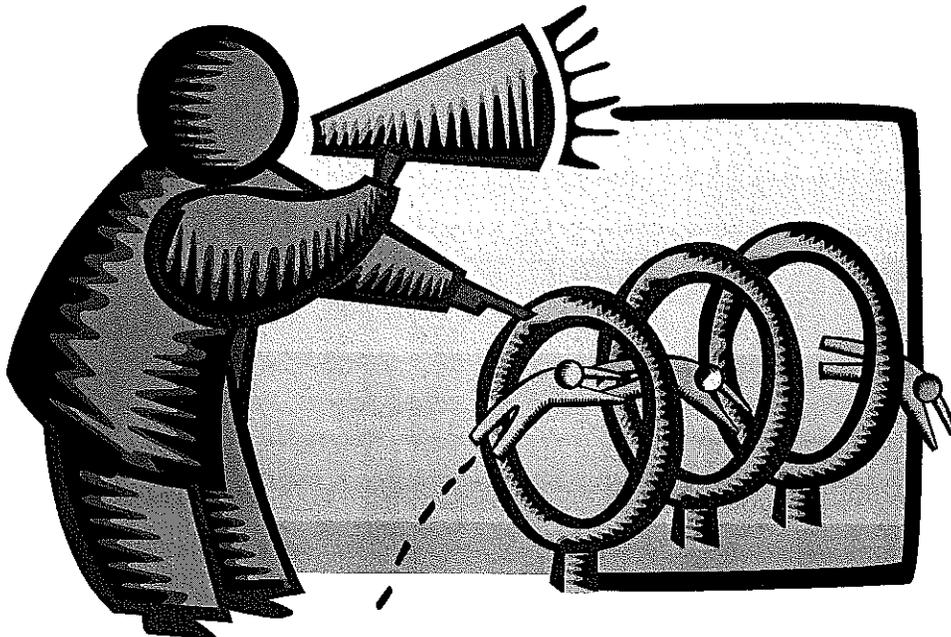
Addendum 4 - Employee Training & Reference Manual



EMPLOYEE TRAINING
&
REFERENCE MANUAL



WHAT DO OUR CUSTOMERS WANT?



- FAST SERVICE
 - FRIENDLY SERVICE
 - WELL MAINTAINED PRODUCT
- WE JUMP THROUGH HOOPS FOR OUR CUSTOMERS***

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Section
Customer Service

Subject
ACHIEVING EXCELLENCE

Offering service that far exceeds customer expectations is our main objective. Refer to the tips below.

Wheel Fun Rentals quality customer service:

- Is delivered as quickly as possible
- Takes place in a friendly atmosphere
- Is offered at the most reasonable prices
- Assures well maintained product

See the Customer Service Sign located in your work area.

WORKING
AS A TEAM

Cooperate with your fellow employees. Always show the customers that you work well with your fellow employees.

KNOWING
YOUR STUFF

Know the products, rates, and places of interest that customers may want to go. Customers rely on your knowledge and expect that you'll be able to answer their questions.

Note, it is a **requirement** that each staff member ride on the paths/streets that are most frequently utilized from that location. Use each one of the products, so you know how to ride each one of the bikes.

REALIZING THE
POWER OF YOUR
CUSTOMER

Always keep in mind these two reasons for serving your customers in a way that is POLITE, DEDICATED AND PROFESSIONAL:

- Customers who receive good service tell an average of three other people.
- Customers who receive poor service tell an average of ten other people.

One bad day can cancel out three days worth of excellent service. Keep on your toes, and always remember, customers can simply go somewhere else.

TREAT THE CUSTOMERS THE SAME WAY YOU LIKE TO BE TREATED!

Section
Customer Service

Subject
TRANSACTION PROCESS

Depending whether you work at a Spoke or a Hub and depending on the season, the volume of business will dictate how many fellow employees you will be working with. Some days your performance may be focused mostly toward one position and other times you may perform all positions – GREETER, DISPATCHER, AND CASHIER.

Greeting

Since you are now a Wheel Fun Rentals employee you are now considered a sales person. This is where you need to shine. Whether you're a Greeter, Dispatcher, and Cashier your job will be focused on making sure that you give the WFR sales-pitch to each person who walks up to your place of business.

Whether your title for the day is Greeter or not, **WE AS WHEEL FUN EMPLOYEES WILL ALWAYS HAVE THE FUN AND ENERGETIC GREETING ATTITUDE NO MATTER WHAT OUR POSITION IS FOR ANY GIVEN DAY.**

It is important that the entire staff work together as a team. All staff members should greet new prospective customers and secure new business. Furthermore, all staff members should float to areas where bottlenecks occur, to help offer the highest levels of customer service and satisfaction.

Greeter

The Greeter will meet the following guidelines:

- Be happy and energetic
- Show enthusiasm in your voice
- Be helpful
- Control the flow of traffic (tell people where to go to get what they need)

A typical greeting day at Wheel Fun Rentals:

A customer walks up to your place of business – How do we react?

Greeter (G): "Hello, my name is (name) and I want to thank you for visiting Wheel Fun Rentals, (location), How may I help you."

C: Most likely the customer will say "how much is that over there?"

G: "That, Sir, that is a (product name) and that cycle is (amount) per hour. You can ride this bicycle along (location) for approximately (distance). How many people in your party? It is a beautiful and fun ride. It's definitely worth a try. Please step over there to fill out a rental form to get you started."

C: Your customer will either do one of three things:

1. Say "OK". If this should occur direct the customer to the Cashier
2. Say, "OK", I will come back later." If this should occur say, "Thank you and we will look forward to helping you when you come back."
3. Say "Not for me today." If this should occur say, "Thank you and please visit us once again. And trust me, it is a fun ride around (location).

For instances like #2 and #3 above, your manager will decide which VIP cards you can hand out.

Dispatch

Refer to the POS instruction booklet.

Key-points:

1. Always be the first to help the people get into the product. Be gentle, happy, and enthusiastic.
2. Speak clearly and be precise when giving the safety instructions.
3. Be precise when explaining where to ride and where not to ride.
4. When sending the customer off, always say, "Have a Wheel Fun Time" and give them a push to help them get started.

Cashier

Refer to the POS instruction booklet.

Key-points:

1. Always say, "Thank you and have a Wheel Fun Time" after the transaction.
2. Hold a conversation with your customer during the transaction (talk to the customer, not the POS system and cash register). For example, "Where are you visiting from today.?" "We hope your visit to (destination name) is enjoyable. **You are doing this while you are working.**
3. Always verbally count the change out during the tendering process.
4. Have customer initial receipt after you give any change back to the customer.

*****LET YOUR CUSTOMERS SEE YOU CLEAN THE BIKES. CLEAN THE BIKE JUST BEFORE THE CUSTOMER GETS ON THE BIKE. THIS WILL GIVE YOUR CUSTOMER OF FEELING OF SATISFACTION.*****

Section
Customer Service

Subject
ATTITUDES TOWARD YOUR CUSTOMER

YOUR ATTITUDE

- Acknowledge customers with eye contact, a smile, and a warm “hello!” as soon as they enter your outlet.
- Talk to the customers, not to the cash register.
- Thank customers sincerely for their business.
- Be Happy, Warm and Sincere.
- Always show enthusiasm with your voice.

CUSTOMER SERVICE
FOR WINNERS

Read the list below for common attitudes of failed businesses as compared with the Wheel Fun attitude:

Wrong: “Customers are such a pain.”

Right: Never do anything to make a customer feel wrong stupid or clumsy.

Wrong: “I’m swamped. The customer will just have to hold/wait in line.”

Right: Try to wait on customers immediately. If you can’t, tell the customer you will be right with him/her. If you are longer than three (3) minutes, remind the customer that you will be right with him/her, by saying “I’ll be with you in a moment and thank you for being patient.”

If you are taking a phone call remember the following tips:

- Never place a customer on hold for more than 30 seconds.
- Reassure the customer you will be right with them

Wrong: “Same old, same old. Move them in and move them out.”

Right: Be polite and show interest in every customer. Make each of them feel like they are your most important customers. Serve customers with the intent of helping them, not processing them.

Wrong: “I dunno.”

Right: Know your products. Be able to demonstrate them and answer any question. Study, Study, Study.

Wrong: “She’s from class. I’ll serve her first.”

Right: Always be fair. Take care of customers in the order of their arrival.

Wrong: “It’s back there behind those bikes somewhere.”

Right: Make sure that all signs are clear, easily understood, and easily visible.

Wrong: “Mmrph. Just a sec.”

Right: Eat and drink only out of the customer's view.

Wrong: "I'm not sure. It's a free hour or something."

Right: Explain all specials fully, accurately, and enthusiastically. This means that you should know what the specials are. If you have any questions, call your manager, before customers arrive.

Wrong: "What was that again?"

Right: Keep background music to a minimum.

Wrong: "Huh?"

Right: Listen to customers when they speak to you.

Wrong: "I'll see what I can do."

Right: Resolve complaints promptly and to the satisfaction of the customer.

Wrong: "You'll have to wait like everyone else."

Right: Make accommodations for customers who are in a hurry without lessening your service to others.

Wrong: "I'm ready for you now."

Right: Serve your customers with the "I am here for you" attitude. Never act as if you are doing them a favor!

Wrong: "Hey you."

Right: Always refer to your customer by their last name. For example, Mr. Johnson, please see Alex and he will get you your Surrey. Thank you, Mr. Johnson.

Section
Customer Service

Subject
TOP SIX DO'S OF CUSTOMER SERVICE

TOP SIX DO'S

- **Always greet your customers immediately.**
- **Always make attending to your customers your number one priority.**
- **Always be polite to your customers and treat them the way you would like to be treated.**
- **Always use your best communications skills with customers. Look at your customers, smile and speak clearly.**
- **Always anticipate the needs of your customers.**
- **Always help your fellow team members. Pleasing a customer is a success shared by all.**

Section
Customer Service

Subject
TOP TEN DON'TS OF CUSTOMER SERVICE

TOP TEN DON'TS

- ***Never let a customer stand in front of your place of business without you greeting them.***
- Never bring your personal problems to work. There is no such thing as a bad mood.
- Never let a customer walk away unsatisfied.
- Never ignore a customer waiting without explaining the reason for the wait.
- Never argue with a customer. Remember that no business ever wins an argument with a customer.
- Never assume that a customer knows the product as well as you do.
- Never embarrass a customer.
- Never accuse a customer of "trying to get something for nothing."
- Never assume too much.
- Never abuse Wheel Fun's casual atmosphere by excessive chitchat or other unprofessional behavior in front of customers.

Section
Customer Service

Subject
TOP FOUR CUSTOMER COMPLAINTS

PRODUCT

If the product failed, immediately give your customer another product and restart the rental. Consider offering a free hour as well.

If the customer had trouble operating the product or it didn't fit, offer a different product or size.

If a customer damaged the product, mention to the customer the original contract and rental sign, which indicates we do charge for damage. Use the Parts Cost list to identify costs.

WEATHER

Offer your customers a rain check if they are disappointed because of the weather or just choose to return early.

WAIT

If customers are disappointed with how long they had to wait for a product to come in, apologize for the delay, and then explain that the Wheel Fun policy of encouraging customers to take their time (as opposed to being held to strict return times) means that we do not know exactly when a product will come back. Let the customer know that the product is rented for a one (1) hour minimum, without a maximum. Also let them know, as a rule, the product usually returns every 15 to 20 minutes.

Always keep waiting customers updated about their status, such as by telling them that they are now next in line, or offer a different product. Explain to the customer that you could place them in different products that will still give them the satisfaction we expect them to have. Remember to place them in products that are greater than or equal to the price of the requested product.

RETURNED EARLY

Some customers who come back early may ask for a partial refund for the unused time. If the return is not due to problems with the product or the weather, politely remind the customer of the posted policy and rental contract.

Section
Customer Service

Subject
HANDLING CUSTOMER COMPLAINTS

Customers will occasionally complain despite your courteous and effective service. Following these guidelines will resolve complaints. Contact your manager when you are not able to handle a customer complaint, or refer them to call the main office.

THE WIN/WIN
APPROACH

Remember that you are not in a contest with customers. There is no such thing as a win/lose situation with a customer. Either your customer leaves the outlet satisfied, which is a win/win situation, or you fail our customer, which is a lose/lose situation.

You win when the customer wins. Never leave the impression that you are unwilling to satisfy the customer. Be sincere in your satisfaction that you have accomplished your goal of creating (or in some cases, salvaging) a memorable experience for the customer.

The 8-Step Process

1. Remember, "The customer is always right."
2. Smile, introduce yourself, and then express your concern. Say something similar to the following: "I'm (name), How may I help you?"
3. Listen to the customer without interruption.
4. Repeat what you have heard to make sure that you understand the situation.
5. Ask questions to make sure you understand the situation.
6. Decide the best way to handle the complaint. Can you offer a coupon, remove an item from a customer's bill, and give a discount? Or is an apology enough. --- Any of the above, with the exception of the apology, must be approved by your manager.
7. Tell your customers that you understand the situation and that you will do what it takes to resolve it. Work with the customer until you reach a solution.
8. Smile and let the customer know that you appreciate the input. Invite the customer to come back soon.

Remember; call your manager, if you can't figure it out.

Section
Customer Service

Subject
ANSWERING THE TELEPHONE

PUTTING A SMILE
IN YOUR VOICE

Answering the telephone with a smile in your voice makes a great first impression with your customers. Our success on the telephone depends on your manner. Use these tips to encourage customers to feel happy that they called:

- Greet you customer in a friendly way.
- Speak slowly and clearly.
- Be patient and polite.
- Take your time with a customer, no matter how busy you are.
- Remember that we never sacrifice quality for fast service.

First Contact

Answer the telephone in less than three rings, and use the following script:

“Thank you for calling Wheel Fun Rentals, (location). This is (name). How may I help you?”

During the Call

Follow these guidelines below as you continue the call with your customer:

- Speak clearly.
- Be organized.
- Stress we have many options and that a visit is the best way to see all the products available.
- Offer clear store hours and directions when asked.

Inquiries About Specific
Products

If the customer asks for a certain product and we may be busy when they arrive, warn them that they may have a short wait.

PUTTING A CUSTOMER
ON HOLD

You may put a customer on hold when absolutely necessary. Follow these procedures:

1. Ask the customer politely, “Would you please hold?”
2. Wait for a response before you push the hold button or put the phone down. If the answer is “Yes”, thank the customer and press the hold button. If the answer is “No”, try to see to the customer’s needs immediately or get a name, telephone number, and a time to call back.
3. Return within 30 seconds and thank the customer for holding and then ask, “How may I help you?”

Section
Customer Service

Subject
PARTS/EQUIPMENT CUSTOMER CHARGE-BACK

Damage

If your customer damages any equipment and/or parts please do the following:

1. Be courteous to the customer.
2. Kindly show the customer the Rental Instructions
3. If customer does not want to take responsibility then show the customer a contract, again in a kind and professional manner.
4. Show your customer the Parts and Equipment Cost List and point out the part that was damaged.
5. If the customer continues to refuse to take responsibility, please call your manager.

See Parts and Equipment Cost List supplied to you by your manager.

Section
Customer Service

Subject
CONTRACT EXPLANATION

How to explain the WFR
Contract

You will find that many of your customers will glance over the contract and often not read it. It is our job to make sure our customers understand what they are signing. If you are asked by the customer to explain the contract please use the following guidelines:

Tell your customer that the contract covers the following:

1. Assignment of assumption of risk (this is what it is called).
2. Helmet - Anyone under 18 years old must wear a helmet. By initialing the waiver you acknowledge you will assume the risk for not wearing a helmet.
3. Damage - If you damage the product or any of its parts, you must pay for the damaged product/parts.
4. Safety instructions - You will obey all safety rules.
5. Suggest the customer read the contract thoroughly.

It is important you know the guidelines prior to a customer question.

WFR UNIFORM/APPEARANCE POLICY

Each employee will be provided a WFR club shirt. Additional shirts, as well as optional WFR attire is available for purchase by all employees. For your comfort and convenience, you may wish to purchase additional shirts if you work multiple days a week. Optional purchases: WFR Club Shirt \$19, Hat \$9, Sweatshirt \$30, Fleece Vest \$30

Work attire:

- WFR club shirt or any WFR logo sweatshirt or vest can be worn over shirt
- WFR club shirt must be buttoned.
- Navy Blue or Khaki shorts, Capri's or slacks with belt or navy blue nylon sweats (must be solid blue, no stripes). Shorts must not be below the knee and no shorter than mid-thigh. Pants and shorts cannot have large baggy pockets and must have belt loops. Although khaki pants and shorts are allowed, employees must remember that pants or shorts must be clean and presentable so be aware that stains on khaki are more noticeable than on navy blue.
- Blue jeans are permitted but are recommended only for mechanics and employees who are not servicing customers. Blue jeans must be of appropriate size and can not be excessively baggy (or tight), free of holes or tears, and must be one color (no bleached or painted spots). Cut-off jeans are not allowed. Certain resort locations may be excluded from wearing jeans and your manager has the right to disallow any uniform choices.
- White socks (must cover the ankle bone)
- Tennis shoes/Walking shoes/Sneakers. At some Resort locations your shoes must be white, ask your manager for specifics
- If a hat is worn, attire is a WFR cap (or manager may choose style of hat for the location that all staff may wear)
- Your uniform should be clean and pressed and in good condition without holes, stains or noticeable wear.

Appearance requirements:

- Hair neat and presentable
 - Men: Faces must be clean-shaven.
 - Beards, goatees, mustaches are permitted and must be neatly trimmed and groomed at all times. Beards, goatees, mustaches may be grown during personal time and are subject to management approval upon return to work. Side burns may not be in excess of the ear lobe or flared.
- Jewelry must be kept to a minimum and not be obstructive, distracting or interfere with job functions.
- No body or facial jewelry/piercing (other than earrings)
 - One earring per ear is allowed for ladies only.
 - Tattoos that are concealed are acceptable. Tattoos that are visible must be concealed either by your uniform or other clothing

The above is required of all employees working in WFR outlets at all times. As with any other WFR policy, violations will be subject to disciplinary action, including termination for repeated offences.

Section
Theft

Subject
EMPLOYEE THEFT

EMPLOYEE THEFT

Wheel Fun Rentals owners and managers know the most common ways staff theft occurs:

- Taking money from the cash drawer.
- Renting product without a contract.
- Renting more products than are listed on a contract.
- Renting a different (more expensive) product than is listed on the contract.
- Extra time offered and not recorded on the contract.

To avoid staff theft your manager will do the following:

- Place random calls to customers to assure they received excellent service, as well as confirm product rented and amounts paid.
- Have unannounced ghost shoppers whose objective is to critique service levels and confirm staff is doing everything they should be doing.
- Have unannounced observers. Staff will be observed from a distance at certain times during the year, with auditing of rental transactions and grading of performance.
- Regularly check daily and weekly sales records and compare them to previous weeks and previous years.

PLEASE BE REMINDED

ANYONE WHO STEALS, VANDALIZES, OR EMBEZZLES WILL BE IMMEDIATELY TERMINATED AND PROSECUTED TO THE FULL EXTENT OF THE LAW!

Section
Operating Your Business

Subject
MAINTAINING YOUR FLOAT

MAINTAINING YOUR
BANK

You will start off with \$100 in your cash drawer. Your bank will build to \$300 to \$400 before making the cash drop. Break your \$100 float into the following denominations:

<u>Denomination</u>	<u>Quantity</u>	<u>Total</u>
One dollar bills	20	\$20.00
Five dollar bills	16	<u>\$80.00</u>
Total		\$100.00

Section
Operating Your Business

Subject
CONTRACT NUMBERING/RENTAL TRANSACTION

PURPOSE	To provide you with guidelines for handling contract numbers during the rental transaction.
OVERVIEW	To assure all rental transactions are accounted for, rental contracts are sequentially numbered. This allows you to complete an audit and minimize the likelihood of employee theft. To expedite the rental transaction process it will sometimes be advantageous to have two or more customers reading and filling out rental contracts simultaneously.
ACTIVITY LEVEL	Most rental outlets will require two (2) or more clipboards with rental pads in order to expedite the rental transaction process. Depending on daily cycles, if expected revenue levels are less than \$1500, two (2) clipboards are required. If greater than \$1500, three (3) clipboards and if greater than \$3000, four (4) or more clipboards may be necessary.
NUMBERING PROCESS	For ease of auditing we have found that multiple clipboards utilizing a sequentially numbered parallel system is most efficient. IE, each clipboard is "lettered" and has contracts numbered A 0-50, B 0-50, etc. The rental transactions are coordinated so that roughly equal numbers of contracts are used off each clipboard. To assure proper usage, care must be taken when replenishing contracts/clipboards.
AUDITING	Starting and ending contract numbers are recorded on each Daily Revenue Report, for each clerks shift. When auditing contract usage, total the numbers indicated on the Report, with the number of actual contracts, to assure all are accounted for.
Ordering Contracts	Contracts are stored in boxes after printing (not to be opened until use) and are ordered in parallel sequential numbers based on number of clipboards.

Never throw out a contract – Always void a contract.

Section
Operating Your Business

Subject
CASH DROPS AND BANK DEPOSITS

CASH DROP
DEPOSITS

1. Use one Daily Revenue Report per day, making an entry for each drop.
2. Place the cash in an envelope and write the amount, the time, and the date on the envelope and then initial.
3. Drop the envelope into the safe.
4. Total the Daily Revenue Report at the end of the day, making sure that the total matches the amount shown in the POS System.
5. Place the Daily Revenue Report together with the
6. day's contracts.

Making the Last Cash
Drop of a Shift

Make a final cash drop at the end of a shift. Follow the steps outlined below:

1. The person beginning a shift and the person ending a shift counts the cash drawer together.
2. Leave exactly \$100.00 in the drawer and put the remainder of the cash in the cash drop envelope. Use the smallest bills.
3. The person beginning a shift and the person ending a shift each signs the Daily Revenue Report.
4. The person ending a shift handles this last cash drop in the same way as the others.

Section
Operating your Business

Subject
COLLATERAL

It is required that you take a valid Driver's License/Passport and thumb print as a means of collateral. Any other form of identification is forbidden.

Driver's License/Passport

Follow these guidelines:

- Be sure license is valid and has not expired.
- Be sure customer matches picture of person on license.
- Do not use any foreign licenses. Foreign Passports are valid.
- If you have any questions call your manager before renting the product. If you cannot reach your manager then do not rent the product unless you can meet the above guidelines. ***Tell the customer "Sorry, but I can't allow you to rent unless you have the correct identification. Please come back with the correct identification and we will be happy to rent to you."***

Thumb Print

Follow these guidelines:

- Take a thumbprint of the customer signing the contract.
- Be sure the customer rolls the finger properly.
- YOU MUST GET A COMPLETE PRINT THAT IS READABLE!

Section
Safety and Security

Subject
CASH REGISTER SECURITY

SECURITY
GUIDELINES

Follow these guidelines to ensure that security is maintained for the cash registers/cash boxes:

- Look for counterfeit or foreign money.
- The cash register operator must count and verify the cash in the drawer before opening for business.
- All errors should be corrected in full view of the customers and approved by a manager.
- You or a manager should approve all voids. If no manager is on duty, the clerk understands all voids will be approved at a later time. If a manager is not available document why you voided the contract.
- Every customer must be given a receipt with every transaction. Note: The rental policy sign states, "If you do not receive a receipt, your rental is free."
- Each person who uses the register should be assigned his or her own drawer.
- All cash register drawers should be banked at least every six hours or when your cash builds to \$300 to \$400.
- Cash counting should only be conducted in a locked office or other private area, away from the customers view.
- All doors should be kept locked until cash is secured in a safe.
- If the safe is located in the office or a container, the doors surrounding the safe should be kept closed and locked at all times.

Section
Safety and Security

Subject
EMERGENCY INFORMATION LIST

Please review the Emergency Information List thoroughly. If you have any questions about the list, immediately speak to your manager.

Telephone

Your telephone will be used for emergency calls only. If you must make a call other than for an emergency, please have your manager approve it.

Section
Safety and Security

Subject
BASIC TIPS

General Guidelines

- Keep all lights on during business hours in the customer service and storage areas.
- Permit only authorized people – trainees, delivery people, and on-duty staff members – in the service and storage areas.
- Instruct staff members to use the front door for coming and going, not the back door. (Most likely not applicable to Spoke locations)
- Escort your fellow employees if they need to walk to their car at night.
- Obtain managerial approval if you are going to remove any items other than rental product (for rental purposes) from the WFR outlet.
- Never provide information regarding operations to patrons, repairpersons, or telephone callers.
- Immediately report any unusual conduct by customers and others to a manager immediately.
- If a crime is committed, follow procedures found in this manual or listed on the wall.
- Review all First-Aid procedures and emergency numbers as listed on the wall or in this manual.

Section
Safety and Security

Subject
CODE OF SAFE PRACTICES

PURPOSE	<p>To explain safe practices that should be practiced at all times.</p> <p>It is our policy that everything possible will be done to protect employees, customers and visitors from accidents. Safety is a cooperative undertaking requiring participation by every employee. Please be certain to read and understand all safety material thoroughly.</p>
Workplace Safety	<p>Always use the proper lifting technique. Lift with your legs and not your back. Never attempt to lift or push an object that is too heavy.</p> <p>When turning equipment around, maneuver forward and backward in a "three point turn", do not lift and carry.</p> <p>Work areas should be kept in a neat and orderly manner. Trash picked up, tools put away, everything in its proper place.</p> <p>Always use the right tool - equipment and tools should be used for their intended purposes only.</p> <p>Any electrical equipment should be plugged into appropriate receptacles or into an extension of only one cord of similar size and capacity. Three pronged plugs should be used to ensure continuity to ground.</p> <p>Solutions that may be poisonous or not intended for consumption should be kept in well-labeled containers.</p> <p>First Aid Kits should be well stocked at all times.</p> <p>Report all unsafe conditions to your supervisor.</p> <p>Report all accidents and injuries to your supervisor.</p>
Customer Safety	<p>Helmets and other safety equipment should be offered to all customers and worn where applicable laws require them.</p> <p>Rider safety instructions must be given for every rental. It is important that all users listen attentively.</p> <p>Non-renters and others should not be allowed on equipment.</p> <p>Storage areas are off limits to non-authorized personnel.</p>

Section
Safety and Security

Subject
FIRST AID TREATMENT

PURPOSE

To explain basic first aid treatments that you may have to apply in the event of an emergency.

NOTE: THE TREATMENTS DESCRIBED HERE CONSIST OF BASIC PROCEDURES THAT ARE INTENDED TO MAKE THE VICTIM MORE COMFORTABLE UNTIL THE APPROPRIATE MEDICAL PERSONNEL ARRIVES. YOU SHOULD NEVER ADMINISTER SOPHISTICATED TREATMENTS; ONLY CERTIFIED MEDICAL PERSONNEL SHOULD UNDERTAKE SUCH ACTION.

The proceeding pages list the following information:

- six common emergency ailments
- The signs and symptoms of these ailments
- The first aid treatment for these ailments



AILMENT	SIGNS AND SYMPTOMS	FIRST AID
Shock	<ul style="list-style-type: none"> • Skin pale or bluish, cold to touch; possibly moist or clammy • Weakness • Rapid pulse (over 100 beats per minute) • Increased rate of breathing; shallow or deep and irregular breathing 	<ol style="list-style-type: none"> 1. Keep victim lying down. 2. Cover victim only enough to keep him or her from losing body heat. 3. Obtain medical help as soon as possible.
Fractures and Dislocations	<ul style="list-style-type: none"> • Pain and tenderness • May have difficulty moving injured part • Obvious deformities, such as swelling or discoloration 	<ol style="list-style-type: none"> 1. Keep victim calm. 2. Keep broken bone ends and adjacent joints from moving. 3. Obtain medical assistance as soon possible
Burns	<ul style="list-style-type: none"> • Red, blistered, or charred skin: Red = First degree Blistered = Second degree Charred = Third degree 	<p>For first degree and limited second degree burns:</p> <ol style="list-style-type: none"> 1. Exclude air using one of the following methods: <ul style="list-style-type: none"> κ Submerge areas in cold water (DO NOT USE ICE). κ Apply a cold pack to the area. κ Cover the area with thick dressing. <p>NOTE: NEVER APPLY GREASE OR OINTMENT.</p> <ol style="list-style-type: none"> 2. Obtain medical assistance. <p>For third degree burns:</p> <ol style="list-style-type: none"> 1. Cover with dry, clean cloth. 2. Obtain medical assistance. <p>NOTE: If any burn occurs to the victim's face, watch for possible need for artificial respiration.</p>

AILMENT	SIGNS AND SYMPTOMS	FIRST AID
Heart Attack	<ul style="list-style-type: none"> • Acute pain in chest, upper abdomen, or down left arm and shoulder • Extreme shortness of breath • Absence of pulse and breathing (in an unconscious person) 	<p>If the victim is conscious:</p> <ol style="list-style-type: none"> 1. Place the victim in a comfortable position; usually sitting up accomplishes this. 2. Obtain medical assistance. <p>If the victim is unconscious and ONLY IF YOU ARE CERTIFIED:</p> <ol style="list-style-type: none"> 1. Administer CPR. 2. Obtain medical assistance. <p>NOTE: Never give unconscious victims liquids.</p>
Loss of Consciousness	<ul style="list-style-type: none"> • Unresponsive 	<ol style="list-style-type: none"> 1. Keep victim warm and lying down with his or her head turned to one side. 2. Obtain medical assistance. If breathing stops and ONLY IF CERTIFIED, administer CPR. <p>NOTE: Never give an unconscious person any liquid.</p>
Heat Stroke	<ul style="list-style-type: none"> • Light-headedness • Dizziness • Confusion • Increased heart rate and breathing • Fatigue • Thirst • Less-frequent urination • Dry skin • Dry mouth and mucous membranes 	<ol style="list-style-type: none"> 1. Requires immediate medical treatment and hospitalization. 2. Keep victim in cool place. 3. Restore body fluids - water or sports drinks. <p>Heat stroke is a life-threatening emergency. It is a condition that develops rapidly.</p>

Section
Safety and Security

Subject
EMERGENCY PROCEDURES-CUSTOMER ACCIDENTS

OVERVIEW

We rent products that have the potential for user injury and we are upfront about this with a signed Acknowledgement Of Risk. Consumers will at times be in traffic, fall down, bump into things, etc. When they neglect to pay attention, often they will cast blame elsewhere ("the brakes didn't work, etc.)

GUIDELINES

Follow these guidelines when a customer is injured:

Check Victim

Immediately ask the individual if he or she is all right. Your primary concern is the welfare of the customer.

Assist

Ask the customer if assistance is needed; if so, call 911 or the appropriate local emergency number:
Provide assistance to prevent further injury. (See First Aid.)

Don't Admit

NEVER DISCUSS THE ACCIDENT, THE RESPONSIBILITY, THE PRODUCT, OR CONDITIONS SURROUNDING THE ACCIDENT.

Don't Discuss Coverage

DON'T DISCUSS INSURANCE Refer the Insurance details to the owner.

Refrain from Statements

REFRAIN FROM MAKING STATEMENTS OR GIVING OPINIONS AS TO THE CAUSE OF, OR RESPONSIBILITY FOR THE ACCIDENT OR CUSTOMER INJURY.

BE PREPARED FOR SITUATIONS

The following describes the suggested action based POSSIBLE

The degree of the injury:

Too Dangerous To Move

When the person suffers an injury of such degree that it may be dangerous to move him or her, make the person as comfortable as possible without being moved.

Call the appropriate police or fire rescue squad.
Call the owner/manager.

Injured, But Mobile

When the person suffers an injury or claims to have suffered an injury but is mobile, encourage him or her to seek treatment at the nearest hospital emergency room. Call an ambulance.

Appears to be Unharmmed

When the person asserts that he or she is fine and appears to be unharmmed, show concern and say: "That's good," or "I'm glad to hear that."

Section
Safety and Security

Subject
ACCIDENT REPORT

COMPLETE TASKS

After any accident, perform the following task:

Complete Report

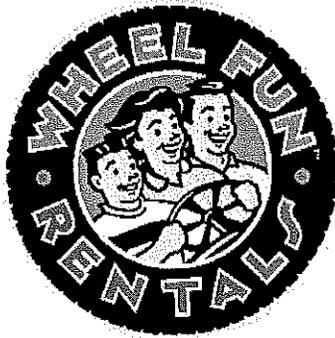
Complete an Accident Report for all accidents--no matter how minor.

PURPOSE

To provide you with an example of WFR's Accident Report.

OVERVIEW

Make copies of this report and complete it whenever someone is injured on the premise or while using/renting product. Keep a copy in a file, along with a copy of the signed rental contract. Copies of these should also be forwarded to WFR corporate.



WFR ACCIDENT REPORT

Wheel Fun Location: _____ **Date/Time of Accident:** _____

Name of WFR Staff Member reporting Accident _____

Name of Accident Victim(s) and Phone Number(s):

Name of Person who filled out contract _____

Contract Number _____

Phone number listed on contract _____

Driver's License number attached to contract _____

Location of accident _____

Name of Witness(es) and Phone Number(s)

Description of Accident (be specific)

Note: Frequently you will not have seen the accident. Therefore, it is important to ask questions of the injured party&/or witnesses. Remember, though it may be tempting, refrain from commenting. The goal is to gather information.

Was the victim(s) taken to the hospital or other treatment center? Y or N (please circle)

What type of treatment was administered?

If automobile involved in accident, automobile insurance from all parties with autos involved in accident:

Victim(s) Statement or Statement from Individual on contract:

Safety Instructions were given prior to party leaving on rental Y or N (please circle)

Victim(s) or Individual named on contract Signature: _____

WFR Staff Member Signature: _____

If location is State or County park please attach additional reports that may have been filled out by park employees. If local police were involved please ask for a copy of the report and attach. Attach Contract and all additional reports to WFR Accident Report.

Immediately Contact Regional Manager or Supervisor

Name of Person contacted and time contacted: _____

Fax all information to Corporate Office 805.650.7771

WFR ACCIDENT REPORT TRAINING SHEET

It is important that all the information on the Accident Report is correct and completed due to liability issues. As the staff member that is filling out the report it is your responsibility to gather all of the information available regarding the accident. There are absolutely no short cuts when it comes to filling out an Accident Report.

Wheel Fun Location: Write in your locations name.

Date/Time of Accident: Write in the Date/Time that the actual accident occurred not when it was brought to your attention.

Name of WFR Staff Member reporting Accident: Write in your name.

Name of Person who filled out contract: this is the person that signed contract and left driver's license.

Contract Number: Write in contract # that is located in the upper right-hand corner of contract.

Phone number listed on contract: Write in phone number from contract.

Driver's License number attached to contract: Write in the Driver's License issuing State, Number, and Expiration Date using the driver license that was left for rental and attached to contract.

Location of Accident: Write in the exact location of the accident. Such as " on the west side exit next to the Ranger Station" be as specific as possible.

Name of Witness(es) and Phone Number(s): this is anyone that actually saw the accident. Make sure that you are not gathering information from people who had no idea what actually took place.

Description of Accident: Use information from parties involved in accident and witnesses. Ask Question that will help you understand what happened- do not comment- just listen to the answers so that you gather as much information as possible.

Was the victim(s) taken to the hospital or other treatment center? Y or N : Make sure that you find this information out and that you circle the appropriate answer.

What type of treatment was administered? Write in if there was an ambulance on the scene, find out what the victim was treated for, and if necessary have your Supervisor follow-up with the emergency service to get necessary information.

If automobile involved in accident, automobile insurance from all parties with autos involved in accident: this information can be obtained from the police agency at the scene. If Police Agency is not involved ask the parties involved if you could get their insurance

information for the WFR Accident Report but this is certainly voluntary and only for our records. Do not demand this information.

Victim(s) Statement or Statement from Individual on contract: If the victim(s) is available please ask them to fill out this statement describing the accident in their own words. If victim(s) is not available then have the person that returns for their Driver's License fill this section out.

Safety Instructions were given prior to party leaving on rental Y or N (please circle) : This statement says that a Wheel Fun Rental Staff Member went over the safety instructions prior to the rental departure. Circle appropriate answer.

Victim(s) or Individual named on contract Signature: This is to be signed by the individual who filled out and signed the waiver. When this individual comes to retrieve their Driver's License make sure that you obtain this signature.

WFR Staff Member Signature: This is your Signature.

Attach any additional reports that have been filled out by Police Agency or Park Officials. If a copy is not available immediately make sure you ask where and when a copy can be picked up. Inform your Manager, Supervisor, or Lead of this information.

Attach the contract to the WFR Accident Report.

Immediately contact Regional Manager or Supervisor.

Name of Person contacted and time contacted: this needs to happen ASAP.

Fax all Information to Corporate Office 805.650.7770

Remember that filling out the WFR Accident Report as completely and correctly will save us all a lot of time. Take your time and write legibly. If a statement is written and it cannot be read that it will do us no good.

Section
Safety and Security

Subject
ROBBERY

The following Do's and Don'ts identifies what you need to do when there is a robbery.

Don'ts

- Don't try to be the hero and save the day
- Don't use profanity
- Don't get any of the customers involved in the incident
- Don't attack the robber

Do's

- Submit / Surrender and give the robber what he/she asks for
- Be calm
- Be cooperative
- When the robber leaves the premises, call your manager immediately.
- Call the police after you speak with your manager. If you cannot reach your manager initially, call the police immediately.
- Fill out the Stolen Item Report

Miscellaneous
Guidelines

IF: You arrive in the morning and you notice product is missing
THEN: Call your manager immediately

IF: You notice that a product was stolen during working hours
THEN: Call your manager immediately
THEN: Call the police to file a report
THEN: Fill out the Stolen Item Report



STOLEN ITEM REPORT

Location: _____ Date/Time: _____

Form filled out by: _____

Employee(s) on Duty _____

Description of Stolen Item(s)

Description Of Incident:

Name of Police Agency notified and time notified:

Police Report # _____

Name of Lead or Supervisor notified and time notified:

***Attach Copy of Police Report if available and put these documents in EOD envelope.**

Section
Product

Subject
SAFETY

Instructions

It is important to give proper instruction when it comes to product usage and safety. Be sure you know the safety instructions (on the yellow laminated cards in the File Box) Remember that it's okay to read them to the customer while you're learning.

Please use the following guidelines:

Surrey

- Show placement of Steering Wheel. Tell customer that right hand steering wheel does not function.
- Assure the customer fits properly on the product
- Show customer how to use the brake
- Show customer how to lock the brake
- Discuss where to rest their feet (***on the pedals only***)
- Show customer how to back-up – "***Flintstone***" method and tell them to stand wide of the pedals.
- Give instructions on where and where not to ride
- Be sure any person under the age of 18 wears a helmet

Unique Products

- Show customer how to use the product
- Assure the customer fits properly on the product
- Discuss with customer that they should watch out for traffic at all times since they are low to the ground (Chopper, Slingshot, and Quad Sport).
- Show customer how to brake
- Adjust the seat as necessary
- Give instructions on where and where not to ride
- Be sure any person under the age of 18 wears a helmet

Pedal Boats

- Show customer how to use the product
- Assure the customer fits properly in the product
- Adjust the seat as necessary
- Show customer how to slow down / brake
- Give instruction on where and where not to ride
- All persons in boat must wear a flotation device
- Stay clear of any fishing lines and anyone casting
- No landing on shore. Leave and return from dock

CONCLUSION

Always ask the customer if they understood the instructions



For Surrey

SAFETY INSTRUCTIONS

Make certain everyone is on the Surrey; ask if they are “ready for riding instructions”
Make sure you have full eye contact.

- ❑ The brake lever is located next to the steering wheel (*show use*). Please use the brake at all times when going down hill. Practice and become comfortable with the brakes before beginning your ride.
- ❑ For all people in the pedaling position - to avoid getting your feet caught between the pedals and frame – keep your feet on the pedals at all times while going forward (*go around Surrey and show where not to put feet on top of chainguard*). Do not rest your feet on any other part of the Surrey.
- ❑ For all people in the pedaling position - when backing up please put your feet on the ground away from the pedals & cranks, not on frame or Chainguard (*go around Surrey and show where not to put feet on top of chainguard*) and push backwards. The pedals rotate backwards and can hit you in the shin or pinch your foot. This is the reason for this safety decal (*show occupant the foot safety decal*).
- ❑ Maximum 3 riders per seat, no sidesaddle, no standing & no hanging on the outside.
- ❑ Obey all rules of the road, maintain safe speeds and watch for cars & pedestrians.
- ❑ Recommend helmets & safety gear.
- ❑ Suggest they secure wallet if in back pocket

Thank you for complying with all safety instructions!



**For Specialty Product
& Cycles**

SAFETY INSTRUCTIONS

Make certain everyone is on the cycle(s); ask if they are “ready for riding instructions”
Make sure you have full eye contact.

- This unit has pedal brakes (or handbrakes if bicycle). Please use the brakes at all times when going down hill. Practice and become comfortable with the brakes before beginning your ride.
- No extra riders, no sidesaddle, no standing & no hanging on the outside.
- Obey all rules of the road, maintain safe speeds and watch for cars & pedestrians.
- Recommend helmets & safety gear

Thank you for complying with all safety instructions!



Boats & Kayaks

SAFETY INSTRUCTIONS

Make certain everyone is ready for instructions. Make sure you have full eye contact.

- ❑ All boaters under 18 must wear lifejackets at all times. An adequate number of life jackets must be onboard for all adults not wearing them.
- ❑ Maximum three adults or two adults and two children under 60lbs each. No exceptions!
- ❑ Stay on the inside of a line between the pier to the right and the “point” just past the Swim Beach. **STAY OUT OF THE FAST BOAT AREA INSIDE THE LINE OF ORANGE BUOYS.** *(Point out these areas)*
- ❑ When the wind is blowing left to right, recommend boaters initially pedal to the left along the coast.
- ❑ Do not beach, as you may damage the boat wheel or rudder. Please return to the dock to leave the boat.

Thank you for complying with all safety instructions!



MULTI SPEED
BICYCLES

SAFETY & ORIENTATION

Make certain everyone is listening; ask if they are “ready for riding instructions” Make sure you have full eye contact.

Please ride safely and obey the rules of the road at all times

Here is how the bike works

- Your shift levers are here (*show shift levers*). They operate by... (*explain which lever controls the front & rear derailleur and explain lower numbered gears are easier to pedal*).
- This is your front brake... this is your rear brake... Be cautious using the front brake, when turning or if sand, gravel, water or other debris is on the road surface; your front wheel could slide out. Practice and become comfortable with the brakes before beginning your ride.

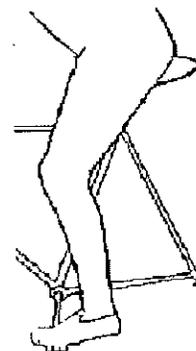
Be safe

- Ride with the traffic (on the right side of the road).
- When on roads, ride single file do not ride two or three abreast.
- Obey all traffic laws, signs and signals.
- Ride carefully where cars are parked; people don't look for cyclists when they pull out or open their car doors.
- Always wear a helmet!

Tandem - The captain mounts the tandem first, feet on ground brakes on, stroker mounts second with feet on pedals, one pedal at 3/4 forward position, then the captain can start with a thrust on that pedal and with the forward momentum mount the saddle and away you go. Find a secluded place to practice before you get going.

Bicycle fit and sizing

- For easiest pedaling, adjust the seat so that the knee is slightly bent with pedal in the lowest position.
- If needed for a greater feeling of stability, lower the seat slightly.



YOUR OPENING CHECKLIST

Your manager will provide you with a Checklist that will be applicable to your Hub or Spoke location. The following is for example only.

Initial each of these tasks as you complete them.

- _____ Pull out and arrange the rental products and re-secure storage areas.
- _____ As you pull product, check air pressure in tires.
- _____ As you pull product, note needed repairs.
- _____ Place displays, mats and portable signs outside
- _____ Wipe down the bikes & helmets. Spray with disinfectant and polish with Armor All
- _____ Organize the skates on skate shelves. Spray skates with disinfectant and polish with Armor All.
- _____ Set the POS system. (See section on POS – Management System for more information if needed.)
- _____ Rotate the wheels on skates as needed.
- _____ Clean the lobby. Mop and vacuum as needed.
- _____ Clean on top and behind the counter.
- _____ Clean the restrooms (if public).
- _____ Note any needed supplies on the Shopping List.
- _____ Empty the trash and replace the trash bags.

Complete the following duties once a day, or more often if needed. Initial each task, with the time.

- | Initial | Time | |
|---------|-------|---|
| _____ | _____ | Keep the shop and outside counter clean. |
| _____ | _____ | Empty trash as needed throughout the day. |
| _____ | _____ | Sweep and clean the parking lot and sidewalk. |

YOUR CLOSING CHECKLIST

Your manager will provide you with a Checklist that will be applicable to your Hub or Spoke location. The following is for example only.

Initial each of these tasks as you complete them.

_____ Neatly put bikes away in designated spots in storage and/or lobby area.

_____ As you return product, note needed repairs on repair tag.

_____ Pull displays, mats and portable signs inside

_____ Close out the register – See P.O.S./Management system manual

_____ Assemble contracts together with Daily Revenue Report

_____ Drop money in safe .

_____ Leave \$100.00 in register/ (if spoke, \$100 in cashbox, put cash box in storage area)

_____ Make sure everything is locked up and put away

_____ Assure everything is straightened up for the business tomorrow

_____ Turn off lights

CLEANING AND LIGHT MAINTENANCE

On days with light activity there will be time to clean/polish product. Customers respond favorably to well maintained product and this is best represented when the product is kept clean and polished.

Product Cleaning

- Use "Armor All" on tires and frame surfaces.
- Use Chrome cleaner on rust/chrome surfaces.

Facility Cleaning:

- Sweep/pickup all litter and waste.
- Outlet building should be clean and have an organized appearance at all times.
- Product should be neatly aligned with similar product grouped together.

When the operator is capable and time allows, light product maintenance should be preformed.

- Tires must be kept inflated to the recommended tire pressure marked on the side of the tire (this is critical as low tire pressure causes riders to work much harder).
- Chains must be oiled/lubricated regularly (daily in beach and other harsh environments).
- Bent or broken pedals should be replaced.
- Check for and tighten any loose nuts and bolts.
- Reinstall any derailed chains.
- If capable, repair flat tires and replace worn tires as necessary.
- Mark any unrepairable product with a work order tag and advise HQ.

Replacement Parts Pricelist

SURREYS

	Single/All	Double
Pedals (ea.)	\$6.00	
Crank arm (no sprocket)	\$9.00	
Crank arm w/single sprocket	\$17.00	\$30.00
Front Tire	\$22.00	
Rear Tire	\$25.00	
Tube	\$10.00	
Front Bumper Guard	\$108.00	
Rear Bumper guard	\$63.00	
Fender (Front or Rear)	\$25.00	
Surrey Top	\$75.00	\$98.00
Top Frame	\$64.00	\$79.00
Chain Guard	\$100.00	\$142.00
Front Wheel	\$156.00	
Front Wheel w/brake	\$185.00	
Seat basket	\$240.00	
Rear Wheel	\$195.00	
Seat Bottom	\$110.00	
Seat Back	\$85.00	
Wheelmount / Steering Lever	\$70.00	
Headlight	\$42.00	
Taillight	\$24.00	

BICYCLES

Pedals (ea.)	\$6.00
Left Crank (ea.)	\$10.00
Right Crank/Sprocket	\$35.00
Front Tire	\$10.00
Rear Tire	\$4.00
Tube	\$10.00
Brake Lever	\$5.00
Shift Lever	\$20.00
Brake/Shift Lever	\$25.00
Brakes (ea.)	\$15.00
Front Derailleur	\$35.00
Rear Derailleur	\$35.00
Front Wheel	\$30.00
Rear Wheel	\$45.00
Rear Wheel w/internal gear hub	\$125.00
Seat	\$20.00
Seat Post	\$10.00
Handlebars	\$10.00
Grips	\$5.00
Forks	\$20.00
Forks, suspension style	\$150.00
Frame	\$85.00
Kickstand	\$5.00
Chain	\$15.00

QUAD SPORT/CHOPPER/SLINGSHOT/DEUCE COUPE

		Deuce Coupe only		Deuce Coupe only	
Pedal (ea.)	\$6.00		Chain	\$20.00	
Front Tire	\$10.00		Chain Guard	\$15.00	
Rear Tire	\$12.00	\$22.00	Seat, Bottom	\$25.00	
Tube	\$10.00		Seat, Back	\$30.00	
Crank	\$15.00	See Surrey	Seat, Frame	\$42.00	
Front Fork	\$20.00		Front Wheel	\$40.00	
Front Skin	\$15.00		Rear Wheel	\$40.00	\$150.00
Top Skin	\$45.00		Tie Rods	\$15.00	
Wheel Skin (ea.)	\$7.00		Wheel Mount	\$15.00	
Steering Wheel/Handlebar	\$15.00		Fenders	\$25.00	



Staff Summary Report



Council Meeting Date: 5/5/11

Agenda Item Number: 5B5

SUBJECT: Request approval to award a one-year contract with four, one-year renewal options to US Lighting Technology for the purchase of energy efficient cobra head induction lighting fixtures to be installed in residential neighborhoods by the Public Works Department.

DOCUMENT NAME: 20110505fsta05 PURCHASES (1004-01)

COMMENTS: Total value of this contract will not exceed \$350,000 during the initial one-year contract period.

PREPARED BY: Tony Allen, CPPB, Procurement Officer, 480-350-8548

REVIEWED BY: Jerry Hart, CPA, Deputy Financial & Technology Director-Finance, 480-350-8505
Michael Greene, CPM, Central Services Administrator, 480-350-8516
Don Bessler, Public Works Director, 480-350-8205
John Osgood, Deputy Public Works Director – Field Operations, 480-350-8949
Isaac Chavira, Traffic Operations Superintendent, 480-350-8349
Craig Hittie, Housing Services Supervisor, 480-350-8960

LEGAL REVIEW BY: Dave Park, Assistant City Attorney, 480-350-8907

DEPARTMENT REVIEW BY: Ken Jones, Finance & Technology Director, 480-350-8504

FISCAL NOTE: (RFP11-148) No City of Tempe funds will be expended during the initial one-year contract period. Tempe obtained two American Recovery and Reinvestment Act (ARRA) grants valued at \$809,569. Approximately \$620,000 of these grants is specifically slated for the purchase of the energy efficient street lights. Additionally, the City expects to receive approximately \$100,000 in utility rebates.

RECOMMENDATION: Award the contract.

ADDITIONAL INFO: Background Information

Over the last two years, Public Works staff has been researching and evaluating energy efficient street lighting options with the installation of various types of lighting in differing locations throughout Tempe. Staff offers the following summary:

- In residential lighting and collector street lighting applications, energy savings of 30% to 35% are expected.
- Maintenance costs and resident complaints for out of service fixtures are expected to be lowered significantly because of the 100,000 hour (20+ years) life of the lamp assemblies.
- Tempe Police Crime Prevention has stated the recommended lighting provides truer color rendition which aids with differentiation of colors and enhances visibility.

Public Outreach Process

After the award of the original contract (October, 2010) to install energy efficient residential street lighting, City staff distributed 4,600 door hangers in Spanish and English from Broadway Road north to the City limits and Dorsey Lane east to the City limits, informing residents about the aesthetics of the lighting as well as inviting them to attend a public meeting to discuss the lights. Additionally, a press release describing the lighting project was issued; information was disseminated on Twitter and Facebook as well. One hundred and twenty residential lights have been installed since February, 2011. To date, staff has not received any negative comments from residents in the initial installation area – primarily the Victory Acres and Escalante residential areas.

Solicitation Process

The City of Tempe initially issued RFP 10-150 to purchase energy efficient street lighting which allowed for a diverse array of products. Because of uncertainty with the longevity and warranty associated with some newer technologies and a reduction of available funding which significantly reduced the requested numbers of fixtures to be purchased, it was decided to cancel and seal the submittals and issue a new RFP (11-027) with reduced quantities and revised specifications.

Contract T11-027-01 was approved by Council on October 7, 2010. After award, quality control and delivery issues with the manufacturer ensued which, after repeated attempts, could not be resolved. The awarded firm worked with the City and provided an acceptable substitute for the 120 non-compliant fixtures that had already been delivered. However, because the substitute fixture was not of the same manufacturer and specification of the original light, the balance of the contract was terminated and rebid to allow market competition.

RFP 11-148 was issued to create a contract for purchase of the remaining cobra head lamps required to complete the initial installation phase in the residential areas described above (purchased with the grant funding described in the fiscal note), and to provide for future purchases as funds become available.

Evaluation Process

Thirty-four proposals from twenty-four companies were received.

A committee comprised of Public Works and Procurement Staff reviewed the susceptible proposals.

The scoring criteria included (subcategories carry equal weight):

Award Criteria	Weight	%
1 Cost	6	19
2 Ability to meet or exceed specifications or recommendations	6	19
A Specifications and requirements met		
B Literature provided by vendor		
C Warranty offered on product		
3 Qualifications of firm and manufacturer	6	19
A Experience of firm		
B Experience of manufacturer		
C References		
4 Compliance with DOE/HUD & Buy American Provision	6	19
5 Delivery Time	5	16
A Initial delivery		
B Secondary deliveries		
6 Overall response to RFP	3	8
A Quality, composition and completeness		
B Acceptance of terms and conditions		

The results of the evaluation are shown below. Cost, less tax, is based on the expected purchase of 1,100 fixtures.

<i>Firm</i>	<i>Score</i>	<i>Cost</i>
US Lighting Technology	300.61	\$289,300
American Green Technology	296.12	\$280,500
1 st Source Lighting	294.67	\$280,500
Gexpro – Deco	288.18	\$315,700
Capital Electric	285.48	\$335,500
American Greenlights – A1(70W)	285.33	\$254,199
Brown Electric – Neptun	283.97	\$277,838
HD Supply	283.96	\$277,860
American Greenlights – A1(80W)	283.54	\$263,285
Electric Supply	282.51	\$263,945
American Greenlights – A13 (70W)	280.12	\$285,351
Rexel – Tri Valley	280.01	\$299,442
All Green	279.77	\$311,300
American Greenlights – A13 (80W)	279.10	\$292,248
North Coast	277.10	\$320,100
Global Green	275.11	\$250,800
Brown Electric – Everlast (80W)	271.25	\$456,500
Brown Electric – Everlast (70W)	270.79	\$456,500
Everlast (70W)	267.51	\$443,564
Energy Management	267.39	\$240,900
Graybar Electric	267.39	\$260,700
Everlast (80W)	267.33	\$452,507
Brown Electric – GE	266.70	\$445,500
Independent Electric	266.70	\$445,500
Gexpro – GE	266.46	\$448,800
Kelly & Hayes	266.38	\$312,070
Interstate	266.19	\$478,500
Tilton – Phoenix	264.87	\$260,700
Tilton – Dallas	264.18	\$264,000
Tilton – MHT	262.75	\$271,700
Interlux	254.34	\$309,397
Summit Electric	238.75	\$437,800
Energy FX	212.74	\$302,500
Induction Lighting	188.73	\$326,568

The top four (4) scoring firms were requested to submit production run samples of the fixture that would be supplied to the City which were evaluated to insure compliance with specification and requirements of the RFP. Scoring is as follows:

<i>Firm</i>	<i>Score</i>
US Lighting Technology	60.00
Gexpro – Deco	60.00
American Green Technology	0.00
1 st Source Lighting	0.00

The product submitted by American Green Technology did not meet four (4) of the requirements of the RFP. The 1st Source Lighting product was not delivered by the deadline as established in the request (evaluation of the fixture indicated that it failed to meet one (1) of the requirements of the RFP).

The submission by US Lighting Technology meets all specifications and requirements of the RFP, has a 70 watt lamp with a fixture design delivering the highest lumens per watt of all submitted fixtures and provides a full 10 year warranty on all components offering the City the best value.

It is the recommendation of the committee to award a contract to US Lighting Technology, the overall high scorer, for the cobra head fixtures.



**Energy Efficient Tips and
Streetlight Retrofitting Meeting**
Thursday, Jan. 20, 2011
6 p.m.

Escalante Center - 2150 E. Orange St.

The City of Tempe is pleased to announce that your neighborhood will soon benefit from new energy-efficient streetlights.

The city will replace 2,000 existing high-pressure yellow sodium streetlight fixtures with white induction streetlight fixtures. This change will reduce energy use and greenhouse gas emissions, along with saving money on energy costs. **Tempe's new lights will use fixtures that are compliant with International Dark Sky Association guidelines.**

The project, which was approved by the City Council in October, is funded through the American Recovery and Reinvestment Act. The city was awarded \$377,000 in Energy Efficiency and Conservation Block Grant funds and \$432,500 in Community Development Block Grant-Recovery funds administered through the U.S. Department of Housing and Urban Development.

Please join us on Jan. 20 at the Escalante Center to learn more about the new streetlight fixtures and to learn other helpful energy saving tips to make your home more energy efficient.

If you have any questions or need additional information, please contact Shauna Warner Neighborhood Services Manager at 480-350-8883 or shauna_warner@tempe.gov

Vendor's Offer

Return this Section with your Response

It is required that Offeror complete, sign and submit the original of this form to the City Procurement Office with the proposal response. An unsigned "Vendor's Offer", late proposal response and/or a materially incomplete response will be considered nonresponsive and rejected.

Offeror is to type or legibly write in ink all information required below.

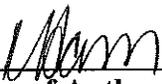
Company Name:	US ENERGY TECHNOLOGIES Inc. dba US LIGHTING TECH				
Company Mailing Address:	14370 MYFORD Road Suite 100				
City:	IRVINE	State:	CA	Zip:	92606
Contact Person:	RICHARD HAM		Title:	PRESIDENT & CEO	
Phone No.:	714-617-8800	FAX:	714-617-8820	E-mail:	rickham@ushightingtech.com
<u>Company Tax Information:</u>					
Arizona Transaction Privilege (Sales) Tax No.:	n/a		or		
Arizona Use Tax No.:	n/a				
Federal I.D. No.:	57-1224336				
City & State Where Sales Tax is paid:	IRVINE		CA		
If a Tempe based firm, provide Tempe Transaction Privilege (Sales) Tax No.:	n/a				

THIS PROPOSAL IS OFFERED BY

Name of Authorized Individual (TYPE OR PRINT IN INK) RICHARD HAM
Title of Authorized Individual (TYPE OR PRINT IN INK) President & CEO

REQUIRED SIGNATURE OF AUTHORIZED OFFEROR (MUST SIGN IN INK)

By signing this Vendor's Offer, Offeror acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other Offeror or potential Offeror. In accordance with A.R.S. 35-393, et seq., the Offeror hereby certifies that it does not have scrutinized business operations in Iran or Sudan. Failure to sign and return this form with proposal response will be considered nonresponsive and rejected.


Signature of Authorized Offeror

2/25/11
Date

Form 201-B (RFP)
(H:/RFP 3-2008)

Specifications

Return this Section with your Response

Any exceptions to the desired specifications must be explained. Any omission from these specifications shall not relieve the contractor from the responsibility of furnishing an operational system complete with all necessary components, accessories, controls, technical advice and supervision for efficient operation. The decision to accept or reject the vendor offered substitution is at the sole discretion of the City of Tempe.

Any submissions that do not comply with required elements will be rejected. Additionally, the City will perform checks of samples to insure compliance. If, at the City's discretion, the fixture does not meet a required specification, it will not be considered for award.

Cobra Head Luminaries		Vendor Response		
Specification		Comply	Deviate	Explanation of Deviation
1	Lamp housing and all components are to be specifically engineered for the use of induction lighting	✓		
a	Unit must be certified to meet dark sky requirements	✓		
b	Lens to be flat and constructed of tempered glass	✓		
c	Reflector to be one piece constructed of anodized aluminum	✓		
d	Upper and lower sections of the housing are to be constructed of Die Cast Aluminum	✓		
i	Durable, weather proof, electrostatically applied polyester powder coat finish with a Light Grey color.	✓		
e	Unit shall provide tool-free one-hand access to all electrical components.	✓		
f	Unit shall have a universal slip fitting for mounting onto a 2-3/8" O.D bracket and provide adjustment for leveling the luminaire on 2-axis (level and tilt)	✓		
g	Mounting and housing bolts shall be of non-corrosive material.	✓		
h	Effective Projected Area (EPA) of luminaire shall not exceed 1.6, and shall be capable of withstanding a 100 MPH wind gusts when mounted on a standard 6' aluminum mounting bracket arm without additional reinforcement.	✓		
i	A prewired, heavy duty terminal block capable of receiving input wiring ranging from #14 to #6 AWG shall be installed in the fixture.	✓		
j	Wiring shall be neat, bundled, and kept away from excess heat.	✓		
k	Luminaire must have and Ingress Protection (IP) rating of at least IP54	✓		
i	Provide IP rating of your fixture -			IP65

	l	Luminaire shall be equipped with gaskets or designed to prevent entrance of foreign material and insects into the housing.	✓		
	m	Luminaire shall have lens gasket designed to prevent entrance of foreign material into the sealed optical system.	✓		
	n	Gaskets are to be of material that will remain effective and color resistant for a minimum of 20 years.	✓		
	i	Indicate material used for gaskets			SILICONE
2		Lamp assembly is to be an induction design with a wattage of between 70 and 80 watts	✓		
	a	Indicate wattage of lamp you will supply			70W
	b	Indicate Initial lumen output			6500 lumen output
	c	Indicate lumen output at 75,000 hours			4355 lumens approx.
	d	State manufacturer of lamp assembly			OSRAM SYLVANIA
	e	State manufacturer of ballast assembly			OSRAM SYLVANIA
3		Lamps shall provide light at a Correlated Color Temperature (CCT) of between 5000K and 6000K with a Color Rendering Index (CRI) in excess of 80			CRI>80
	a	State CCT of the lamp you will supply			5000 K
	b	State CRI of lamp you will supply			> 80
4		Electronic ballast shall meet current US law and contain no Polychlorinated Byphenols	✓		
	a	Ballast must be certified for operation in temperatures in excess of 120 degrees Fahrenheit	✓		
	b	Ballast shall handle voltages ranging anywhere from 120VAC through 277VAC	✓		
5		Electromagnetic Compatibility (EMC) standards applicable to lighting systems must be met	✓		
6		Luminaire must be ETL certified		✓	CSA
7		It is preferred that the luminaire be UL certified		✓	CSA/CE approved
8		A standard NEMA tool-less bayonet mount photoelectric receptacle mount and connected to the same voltage as unit shall be provided and wired to terminal block	✓		
	a	NO photocell is to be included	✓		

Proposal Questionnaire

Return this Section with your Response

Submitters shall provide answers to the following questions. Responses will be utilized in determination of contract award. The City of Tempe may consider other information, whether or not specifically provided by the bidder in response to this RFP.

1. Please provide the address of your local facility.

14370 Myford Road, Suite 100
Irvine CA 92606

2. If you do not have a local facility, indicate how you intend to service the City of Tempe?

Tempe, AZ is just a 6 hour drive from USLT warehouse location, which is located at Irvine, CA 92606.

3. Describe your company and its history.

US Lighting Tech, located in Irvine, California is one of the country's leading manufacturers of induction lighting products. A subsidiary of USET, the company was founded in 1992. Celebrating its 15th year of innovation with over 20 US patents the company's core strength is its ability to design innovative and efficient technology for today's market. Capabilities include a design and testing lab in the US, Rapid Prototyping, CNC, and manufacturing overseas.

4. Please provide contact information for the account representative to be assigned to the City of Tempe contract, if awarded – name, phone, cell phone and e-mail.

Richard Ham
714-617-8800
rickham@uslightingtech.com

5. The City of Tempe prefers a firm capable of providing at least 25% of the ordered quantities within 45 days of receipt of order. Can you meet this requirement? Provide a **complete** delivery schedule in the space provided for all fixtures.

YES

Delivery Schedule:

	Cobra
Delivery of initial 25% of lights:	42 days
Delivery of next 25% of lights from original date of order:	49 days
Delivery of next 25% of lights from original date of order:	56 days
Delivery of next 25% of lights from original date of order:	63 days

6. Will proposed products meet or exceed the City of Tempe specifications?

YES

7. Provide information on the manufacturer of the lamps and ballasts you are proposing including history, length of time they have manufactured the products, country of manufacture, etc.

Please see attached

8. Are replacement lamps and ballasts available from local electrical suppliers or must they be ordered from your firm – if available locally, provide dealer information and part numbers. If not available locally provide an explanation for the lack of local replacements.

Consolidated Electrical Distributors (CED) – Tempe, Arizona
627 S 48th st. Suite 102
Tempe AZ 85281

9. Do the manufacturer and products you are recommending comply with the provision of the DOE & HUD (EECBG/CDBG-R) block requirements and Buy American provisions?

YES

10. Is your firm listed as a company offering outdoor luminaries manufactured in the USA for Recovery Act Projects by NEMA?

YES

11. What warranty do you offer on the housing, lamp assemblies and ballasts – **a 10 year full coverage warranty is preferred** by the City of Tempe?

YES

12. If you are a distributor, will you handle warranty issues?

NO, we are the MANUFACTURER

13. The climatic conditions in the Tempe area may have an effect on the life of the products you have proposed. Do you guarantee performance and durability (inclusive of lamp life and ballast) of your product under the severe “Phoenix Valley” climate the products would face?

YES

14. Do you agree to the Terms and Conditions of the RFP?

YES

15. List three (3) local government or large corporate references for which you have previously supplied similar products.

Firm	Contact	Phone
PSE&G Public Service Electric & Gas Co.	Benjamin White	609-799-6866
California Dept. of Corrections & Rehab	Maria Martinez	916-255-3107
City of Carlsbad	Tom Sugg	760-845-6901

Pricing

Return this Section with your Response

Price shall include all costs, including, but not limited to freight.

Quantity listed on the Price Sheet is expected amount to be purchased, however, this number will not obligate the City of Tempe to order or accept more than actual needs and availability of appropriated funds permit.

	Description	Quantity	Cost Ea	Extended Cost
1.	Cobra Head Luminaries for Roadway lighting – Full cutoff style – dark sky compliant (70 to 80 watt induction)	1,000	\$ 263.00	\$ 263,000.00
	Brand US LIGHTING TECH			
	Model # CO-120/277V-070W-5K-FCG-001			
	Replacement Lamp (L5070)	10	\$ 133.00	\$ 1330.00
	Replacement Ballast (B3070)	10	\$ 75.00	\$ 750.00

* Applicable Tax 9.3 %

* **State correct jurisdiction to receive sales tax on the Vendor's Offer, Form 201-B (RFP) included in this Request for Proposal.**

Less prompt payments discount terms of 0 % 0 days/ or net thirty (30) days. (To apply after receipt and acceptance of an itemized monthly statement.) For evaluation purposes, the City cannot utilize pricing discounts based upon payments being made in less than thirty (30) days from receipt of statement.

Ordering and Invoice Instructions

In order to facilitate internal control and accounting, each City Department will order and must be invoiced separately. Monthly invoices must be segregated by City Department number and mailed or delivered directly to the City Customer Department. For most materials, there will be between three (3) and six (6) ordering departments. At the time an order is placed, the Contractor must obtain the ordering department's cost center numbers for billing purposes. The use of the department's cost center numbers will be in addition to the purchase order number. Once a month, the Contractor shall submit a consolidated statement which shall itemize the invoice numbers, invoice date, invoice amounts, and the total amount billed to Accounting. Discount offering will be based upon days from receipt of the consolidated monthly statement. Invoice(s) shall not show previous balances.

Invoices shall include:

1. Listing Of All Delivery/Pickup Receipt Numbers Being Invoiced.
2. Total Cost Per Item.
3. Applicable Tax.
4. Payment Terms.
5. Blanket Purchase Order Number.



U.S. DEPARTMENT OF
ENERGY

 **US Lighting Tech**

US Lighting Tech successfully completes DOE ARRA Audit

September 10, 2010 - Today, the Department of Energy formally closed its investigation into whether sales to recipients of the Department's Energy Efficiency Community Block Grants by, US Lighting Tech complied with the Buy American provisions of the American Recovery and Reinvestment Act (ARRA).

As part of its investigation, the Department engaged a lighting industry expert who reviewed data submitted and made site visits to inspect the companies' manufacturing processes. The Department has concluded that the sales were consistent with ARRA's Buy American requirements.



Department of Energy
Washington, DC 20585

September 10, 2010

Richard Ham
President
US Lighting Tech
14370 Myford Road, Suite 100
Irvine, CA 92606

Re: Buy America Investigation

Dear Mr. Ham:

Thank you very much for your cooperation with the Department of Energy's investigation into US Lighting Tech's compliance with Section 1605 of the American Recovery and Reinvestment Act of 2009 as to sales to recipients of the Department's Energy Efficiency Community Block Grants.

We have reviewed in detail the materials you presented to the Department. Those materials also were reviewed by the lighting industry expert we engaged to assist us in this investigation. Moreover, as you know, on Thursday, August 19, 2010, our expert conducted an on-site inspection of US Lighting Tech's manufacturing process of the induction lighting products at issue.

Based on the materials we have reviewed, and the information our expert obtained during his site visit, the Department has formally decided to conclude its investigation.

Thank you again for your assistance in this matter.

Sincerely,

Timothy G. Lynch
Deputy General Counsel for
Litigation and Enforcement



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Staff Summary Report



Council Meeting Date: 5/5/11

Agenda Item Number: _____

SUBJECT: Request approval of a resolution authorizing the execution and delivery of certain agreements; approving an official statement; approving the issuance and sale of Excise Tax Revenue Obligations, Series 2011, in one or two series; not to exceed \$49,300,000; authorizing the taking of all other actions necessary for the immediate consummation of the transactions contemplated.

DOCUMENT NAME: (20110505fsjh01) **BOND SERVICE ADMINISTRATION (0203-01)** Resolution No. 2011.30.

COMMENTS: The issuance of the not to exceed \$49,300,000 in Excise Tax Revenue Obligations, Series 2011, is in accordance with the capital improvements program budget as adopted by the City Council. The bonds provide financing for various water/wastewater capital projects (including the Johnny G. Martinez Water Treatment, South Tempe Water Treatment Plant and 91st Ave. Wastewater Treatment plants) and energy retrofit projects.

PREPARED BY: Jerry Hart, Deputy Finance & Technology Director - Finance (480) 350-8505

REVIEWED BY: Ken Jones, Finance & Technology Director (480) 350-8504

LEGAL REVIEW BY: Andrew Ching, City Attorney (480) 350-8575

FISCAL NOTE: The debt service on these bonds will be paid out of the Water/Wastewater and Debt Service funds.

RECOMMENDATION: Staff recommends approval of Resolution No. 2011.30.

ADDITIONAL INFO: Projects to be financed with bond proceeds include the following:

<u>Project Description</u>	<u>Amount Financed</u>
Johnny G. Martinez WTP Upgrades	\$ 2,820,000
South Tempe WTP Water Quality Imprvmnts.	20,630,000
91 st Ave. Wastewater Plant Imprvmnts.	14,050,000
Southern Ave. Interceptor Rehabilitation	2,240,000
Ken McDonald Golf Course Recharge	500,000
Distribution System Fittings	250,000
Small Meter Replacement	100,000
Water Metering Stations	850,000
Well Rehabilitation	60,000
Energy Retrofit Program	<u>7,800,000</u>
Total	<u>\$49,300,000</u>

Gust Rosenfeld P.L.C., the city's bond counsel, has reviewed and approved the attached resolution.

RESOLUTION NO. 2011.30

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF TEMPE, ARIZONA, AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT, A TRUST AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, AND AN OBLIGATION PURCHASE CONTRACT; APPROVING AN OFFICIAL STATEMENT; APPROVING THE ISSUANCE AND SALE OF EXCISE TAX REVENUE OBLIGATIONS, SERIES 2011, IN ONE OR TWO SERIES; EVIDENCING A PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN THE PURCHASE AGREEMENT; AUTHORIZING THE EXECUTION OF AN OBLIGATION PURCHASE AGREEMENT; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, the City of Tempe, Arizona (the "City") received an allocation of the total national bond volume cap for Qualified Energy Conservation Bonds ("Volume Cap") in the amount of \$1,852,098.52 to issue qualified energy conservation bonds as tax credit bonds ("QECB - Tax Credit") under Section 54D of the Internal Revenue Code of 1986, as amended, (the "Code") and the American Recovery and Reinvestment Act of 2009 ("ARRA") to finance certain qualified conservation purposes described in Section 54D(f) of the Code; and

WHEREAS, the Hiring Incentives to Restore Employment Act ("the "HIRE Act") authorizes the City to issue qualified energy conservation bonds as specified tax credit bonds ("QECB – Direct Payment") instead of QECB – Tax Credit whereby the City would receive a subsidy from the United States of America to offset a portion of the interest costs of the QECB – Direct Payment; and

WHEREAS, the City received an additional allocation of Volume Cap in the amount of \$5,448,000 from the Arizona Department of Commerce to issue QECB – Direct Payment under Section 54D of the Code to finance certain qualified conservation purposes described in Section 54D(f) of the Code; and

WHEREAS, the City desires to finance qualified conservation purpose - capital expenditures incurred for the purpose of reducing energy consumption in publicly-owned buildings by at least 20 percent pursuant to Section 54D(f)(1)(A)(i) of the Code (the "QECB Project"); and

WHEREAS, the City desires to finance the water and wastewater improvements and a portion of the City's energy retrofit program (the "Tax-Exempt Project"), and the QECB Project, through the execution and delivery of not to exceed \$49,300,000 Excise Tax Revenue Obligations, Series 2011, comprised of one or two series of obligations that may include: (i) Excise Tax Revenue Obligations, Tax-Exempt Series 2011A (the "Series 2011A Tax-Exempt Obligations") and (ii) Excise Tax Revenue Obligations, Taxable Series 2011B (Qualified Energy Conservation Bonds – Direct Pay) (the "Series 2011B Taxable Obligations" and together with the Series 2011A Tax-Exempt Obligations, the "2011 Obligations"), which will be dated the date of

their initial delivery, but no earlier than June 1, 2011, by the Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee") pursuant to a Trust Agreement, dated no earlier than June 1, 2011 (the "Trust Agreement") between the Trustee and the City, and evidence a proportionate interest of the owners thereof in a Purchase Agreement, dated no earlier than June 1, 2011 (the "Purchase Agreement"), between the Trustee and the City; and

WHEREAS, a proposal in the form of an Obligation Purchase Contract (the "Obligation Purchase Contract") will be received from RBC Capital Markets, LLC (the "Original Purchaser") for the purchase of the 2011 Obligations; and

WHEREAS, proposed forms of the following documents have been filed with the City Clerk for this meeting:

- (i) the proposed form of the Purchase Agreement;
- (ii) the proposed form of the Trust Agreement;
- (iii) the proposed form of the Obligation Purchase Contract;
- (iv) the proposed form of the Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") and
- (v) the proposed form of a preliminary form of the Official Statement relating to the 2011 Obligations (the "Preliminary Official Statement").

WHEREAS, if the Mayor or Finance and Technology Director determine it to be in the best interests of the City, and if, and to the extent, a portion of the 2011 Obligations meet the requirements therefore under the Code, a portion of the 2011 Obligations, designated as the Series 2011B Taxable Obligations, may be qualified and sold as Qualified Energy Conservation Bonds under the ARRA and the HIRE Act; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF TEMPE, ARIZONA, THAT:

Section 1. Project Financing. It is hereby found and determined that the financing of the Tax-Exempt Project and the QECB Project at fixed interest rates pursuant to the terms of the Purchase Agreement, the Trust Agreement and the Obligation Purchase Contract is in the best interest of and in furtherance of the purposes of the City and in the public interest.

Section 2. Approval and Terms. The City hereby approves the execution and delivery of the 2011 Obligations, as hereinafter described, by the Trustee. The 2011 Obligations shall be executed in the aggregate principal amount of not to exceed \$49,300,000 comprised of one or two series that may include: (i) Series 2011A Tax-Exempt Obligations to finance the Tax-Exempt Project and (ii) Series 2011B Taxable Obligations to finance the QECB Project. The 2011 Obligations shall be in the denomination of \$5,000 or any integral multiples thereof, shall be dated their date of delivery, or such later date as may be set forth in the Trust Agreement, and shall bear interest from such date payable on the dates provided in the Trust

Agreement, and shall be fully registered without coupons as provided in the Trust Agreement. The 2011 Obligations shall bear interest at the rates per annum set forth in the Trust Agreement and the Obligation Purchase Contract and shall mature on July 1 in some or all of the years 2012 through and including 2031. The yield on the 2011 Obligations for federal tax purposes shall not exceed 6.00% per annum, if the City decides it to be in the best interest of the City to issue a portion of the 2011 Obligations as Series 2011B Taxable Obligations, and the yield on the Series 2011B Taxable Obligations shall not exceed 6.00% per annum after deducting all refundable credit payments to be received by the City by the United States pursuant to Section 6431 of the Code.

The forms, series designation, terms, interest rates, dated date, interest payment dates, maturity dates, maturity amounts, optional, mandatory, extraordinary optional and extraordinary special redemption provisions, if any, and other provisions of the 2011 Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Trust Agreement.

Section 3. Award. The 2011 Obligations are hereby awarded to the Original Purchaser pursuant to the Obligation Purchase Contract.

Section 4. Approval of Documents. The Mayor, any member of the City Council and the Finance and Technology Director is authorized and directed to determine and approve the interest rates, dated dates, interest payment dates, maturity dates, maturity amounts, purchase price, optional, mandatory, extraordinary optional and extraordinary special redemption provisions, if any, and any provisions necessary in connection with the purchase of credit enhancement pursuant to Section 5 hereof, and cause the same to be set forth in the documents. The form, terms and provisions of the Purchase Agreement, the Trust Agreement, the Obligation Purchase Contract and the Continuing Disclosure Certificate, in substantially the form of such documents (including the 2011 Obligations and other exhibits thereto) presented at this meeting are hereby approved, with such final provisions, insertions, deletions and changes as shall be approved by the Mayor, any member of the City Council and the Finance and Technology Director the execution of each such document being conclusive evidence of such approval, and the Mayor, any member of the City Council and the Finance and Technology Director and the Clerk are hereby authorized and directed to execute and deliver, where applicable, or approve the Purchase Agreement, the Trust Agreement, the Obligation Purchase Contract and the Continuing Disclosure Certificate and to take all action to carry out and comply with the terms of such documents.

Section 5. Obligation Insurance. The Mayor, any member of the City Council, the Finance and Technology Director and Clerk are hereby authorized and directed to purchase municipal bond insurance, surety bonds or other credit enhancement as may be deemed appropriate and beneficial, to pay or cause to be paid all premiums attendant thereto and to enter into any obligations or agreements on behalf of the City to repay amounts paid thereon by the providers thereof.

Section 6. Official Statement. The Preliminary Official Statement is deemed “final” for all purposes of Section 240.15c2-12, General Rules and Regulations, Securities Exchange Act of 1934, and is hereby authorized and approved in substantially the form presented

at this meeting, and the distribution of the Preliminary Official Statement is hereby authorized and approved. The City will cause a final official statement (the "Official Statement") in substantially the form of the Preliminary Official Statement to be prepared and distributed with the 2011 Obligations upon initial issuance. The Mayor, any member of the City Council and the Finance and Technology Director of the City is authorized to approve, execute and deliver the Official Statement on behalf of the City and the execution by such officer shall be deemed conclusive evidence of such approval. The City authorizes the use by the Original Purchaser of copies of the Preliminary Official Statement and the Official Statement in connection with the public offering and sale of the 2011 Obligations.

Section 7. Trustee. The City hereby requests the Trustee to take any and all action necessary in connection with the execution and delivery of the Purchase Agreement, the Trust Agreement, the Obligation Purchase Contract, and the execution, delivery and sale of the 2011 Obligations and further authorizes and directs the Trustee and any trustees for any obligations on a parity with the 2011 Obligations to enter into such agreements as may be reasonable for the administration of the trusts so held.

Section 8. Pledge of Excise Taxes. Pursuant to the Purchase Agreement and the Trust Agreement, the City shall pledge its unrestricted excise, transaction, franchise, privilege and business taxes, State-shared sales and income taxes, fees for licenses and permits and State revenue-sharing, now or hereafter validly imposed by the City or contributed, allocated and paid over to the City and not earmarked by the contributor for a contrary or inconsistent purpose (the "Excise Taxes") to the amounts to come due under the Purchase Agreement and the Trust Agreement. The "Excise Taxes" include, without limitation, all fines and forfeitures but do not include the excise tax revenues collected and paid over to the City under the City's (a) 0.50% transaction privilege (sales) and use tax approved by the voters of the City on September 10, 1996, the use of which is restricted to improvement and operation of the public transit system of the City, (b) 0.10% transaction privilege (sales) and use tax approved by the voters of the City on May 16, 2000, the use of which is restricted to a performing arts center in the City, (c) 1.00% increase in the transient lodging tax on hotels approved by the voters of the City on September 10, 2002, the use of which is restricted to fund programs of the Tempe Convention and Visitor's Bureau or (d) any other similar tax restricted as to its use. The City's obligation to make the payments under the Purchase Agreement or the Trust Agreement does not constitute an obligation of the City or the State of Arizona, or any of its political subdivisions, for which the City or the State of Arizona, or any of its political subdivisions, is obligated to levy or pledge any form of ad valorem property taxation nor does the obligation to make any payments under the Purchase Agreement or the Trust Agreement constitute an indebtedness of the City or of the State of Arizona or any of its political subdivisions within the meaning of the Constitution of the State of Arizona or otherwise. The pledge of Excise Taxes is on a parity with the existing pledges of Excise Taxes as described in the Trust Agreement.

Section 9. Continuation of Excise Tax; Rate Covenant. Pursuant to the Purchase Agreement, the City will covenant and agree that the Excise Taxes which it presently imposes will continue to be imposed in each fiscal year so that the amount of Excise Taxes, all within and for such fiscal year, shall be equal to at least three (3) times the total of the debt service payable under the Purchase Agreement and the Existing Parity Obligations and the

Additional Parity Obligations (as such terms are defined in the Trust Agreement). The City will further covenant and agree that if such receipts for any such fiscal year shall not equal three (3) times such debt service for such fiscal year, or if at any time it appears that the current fiscal year's receipts will not be sufficient to meet such fiscal year's actual debt service, the City will either impose new Excise Taxes or will increase the rates of such taxes currently imposed in order that (i) the current fiscal year's receipts will be sufficient to meet such fiscal year's debt service requirement, and (ii) the next succeeding fiscal year's receipts will be equal to at least three (3) times the next succeeding fiscal year's debt service requirement. For the purpose of this pledge, debt service will be determined as set forth in the Purchase Agreement.

Section 10. Election Under the American Recovery and Reinvestment Act of 2009 and the Hiring Incentives to Restore Employment Act. If the Mayor or the Finance and Technology Director determine it to be in the best interests of the City, and if, and to the extent, a portion of the 2011 Obligations meet the requirements therefore under the Code, a portion of the 2011 Obligations designated as the Series 2011B Taxable Obligations, may be qualified and sold as Qualified Energy Conservation Bonds, with the federal tax credits paid directly to the City, and the Mayor, Finance and Technology Director and all other officers and agents of the City are authorized to take any action, make any modification of the documents, enter into any agreements, make any election or certifications, modify the designated name of the Series 2011B Taxable Obligations and pay any costs necessary to provide for, or facilitate the execution and delivery of the Series 2011B Taxable Obligations in such manner, and to comply with the requirements of the Code and the terms of the Series 2011B Taxable Obligations and any agreement related thereto. Additionally, if practicable, necessary and appropriate, the Mayor, the Clerk, Finance and Technology Director and the other officers and agents of the City on behalf of the City may take all actions necessary to amend any and all documents related to the Existing Parity Obligations pursuant to the requirements thereof with respect to the determination thereunder of debt service on the Series 2011B Taxable Obligations issued as Qualified Energy Conservation Bonds.

Section 11. Resolution Irrepealable. After any of the 2011 Obligations are delivered by the Trustee to the Original Purchaser thereof upon receipt of payment therefor, this resolution shall be and remain irrepealable until the 2011 Obligations and the interest and premium, if any, thereon shall have been fully paid, cancelled and discharged.

Section 12. Execution of Documents. The Mayor, the Clerk, the Finance and Technology Director and the other officers of the City, on behalf of the City, are each hereby authorized and directed, without further order of the Council, to execute and deliver such certificates, proceedings and agreements as may be necessary or convenient to be executed and delivered on behalf of the City, to evidence compliance with, or further the purposes of, all the terms and conditions of this resolution and the consummation of the transactions contemplated by the Preliminary Official Statement.

Section 13. Ratification of Actions. All actions of the officers and agents of the City which conform to the purposes and intent of this resolution and which further the issuance and sale of the 2011 Obligations as contemplated by this resolution whether heretofore or hereafter taken are hereby ratified, confirmed and approved. The proper officers and agents of

the City are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the City as may be necessary to carry out the terms and intent of this resolution.

Section 14. **Severability.** If any section, paragraph, clause or phrase of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or phrase shall not affect any of the remaining provisions of this resolution.

Section 15. Waiver. All orders, resolutions and ordinances or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order, resolution or ordinance or any part thereof.

PASSED AND ADOPTED by the Mayor and Council of the City of Tempe, Arizona, this 5th day of May, 2011.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Bond Counsel

City Council Meeting Date: 5/5/11

Agenda Item Number: 5E2

SUBJECT: Request approval of a resolution to approve the Annual Action Plan for Community Development Block Grant (CDBG) and Home Programs for Fiscal Year 2011-2012.

DOCUMENT NAME: 20110505cdch01COMMUNITY DEVELOPMENT BLOCK GRANT (0207-33) RESOLUTION NO. 2011.31

COMMENTS: N/A

PREPARED BY: Craig Hittie, Affordable Housing Supervisor (350-8960)

REVIEWED BY: Lisa Collins, Deputy Community Development Director (350-8989)
Liz Chavez, Housing Administrator (350-8958)

LEGAL REVIEW BY: Teresa Voss, Assistant City Attorney (350-8814)

DEPARTMENT REVIEW BY: Chris Anaradian, Community Development Director (858-2204)

FISCAL NOTE: Expenses related to staff time required for administering these programs have been appropriated in cost centers 2872 and 2852. All funding for the proposed activities is federal. No fiscal impact to the City's general fund.

RECOMMENDATION: Adopt Resolution No. 2011.31

ADDITIONAL INFO: On an annual basis, the City must complete an Annual Action Plan. The Action Plan sets forth the proposed uses of Community Development Block Grant (CDBG) and HOME funds that the City expects to receive for fiscal year 2011-2012. As part of this process, the city held two public hearings and a public meeting. The purpose of the public hearings was to secure input on the specific needs, priorities, objectives and strategies to address affordable housing, homeless and special needs housing.

The Resolution authorizes the submission of the Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) for its review and approval and authorizes the City Manager to execute the required certifications and additional documentation if necessary.

The draft Action Plan is available for review at the link below:

<http://www.tempe.gov/housing/CDBG/FY%202011%20AP-DRAFT.pdf>

Proposed CDBG and HOME Program Activities for Funding Year 2011/2012¹

CDBG		
	Administration (20% CAP)	\$292,674
	Public Services (15% CAP)	\$219,506
	Acquisition-Affordable Housing	\$515,000
	Acquisition-Redevelopment	\$276,193
	Commercial Rehabilitation	\$75,000
	Emergency Repair Program	\$10,000
	First Time Home Buyer's Program	\$25,000
	Relocation	\$20,000
	Demolition	\$30,000
TOTAL CDBG		\$1,463,373
HOME		
	HOME Administration (5% Cap)	\$22,135
	Homeowner Rehabilitation	\$370,571
	First Time Home Buyer's Program	\$50,000
	Program Income-Anticipated	\$50,000
TOTAL HOME		\$492,706
OTHER FEDERAL FUNDS		
	Section 8 Housing Choice Voucher Program	\$9,676,284
	Family Self-Sufficiency & Homeownership Grants	\$68,680
TOTAL OTHER FEDERAL FUNDS		\$9,744,964
TOTAL ALL SOURCES		\$11,701,043

¹ The numbers presented are based on FY 2010/2011 funding allocations. However, due to the impending federal budget shortfalls, it is anticipated that Congress will reduce the CDBG budget. The President's budget proposes a 7.5% reduction. Various proposals from Congress call for reductions ranging from 7.5%-65%. The final allocation awards may not be known until June 2011.

RESOLUTION NO. 2011.31

**A RESOLUTION OF THE CITY COUNCIL OF TEMPE,
ARIZONA AUTHORIZING THE SUBMISSION OF THE
FISCAL YEAR 2011-2012 ANNUAL ACTION PLAN FOR
CDBG AND HOME PROGRAMS TO THE U.S.
DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT.**

WHEREAS, to receive Community Development Block Grant (CDBG) and HOME Investment Partnership Program funds, participating jurisdictions are required to submit an annual action plan that complies Title 24 Code of Federal Regulations Sections 91 and 92, *et seq.*, to the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, the City of Tempe desires to participate in the CDBG and HOME programs and has developed an Annual Action Plan that defines the proposed uses of projected CDBG and HOME funds for the fiscal year 2011-2012; and

WHEREAS, HUD has reserved approximately \$1,750,323 in CDBG funds and the Maricopa County Consortium has reserved \$502,093 in HOME funds for the City of Tempe for fiscal year 2011-2012; the City of Tempe estimates \$50,000 in income from the HOME program funding; and

WHEREAS, in furtherance of the Annual Action Plan's development, the City of Tempe held one public meeting and two public hearings to obtain citizen input on how the funds should be spent and to obtain public comment on the proposed use of funds set forth in the Annual Action Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPE ARIZONA, as follows:

Section 1: The Community Development Block Grant and HOME Program Annual Action Plan for fiscal year 2011-2012 is approved.

Section 2: The City Manager is authorized and directed to execute the required certifications of compliance associated with the City of Tempe's Community Development Block Grant and HOME Program Annual Action Plan for fiscal year 2011-2012 and provide any additional information and execute any further documents that HUD requests so that HUD may review and approve the Annual Action Plan.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this 5th day of May, 2011.

Mayor Hugh Hallman

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney