County Director of Transportation. The City shall provide transit service to County

residents desiring transit service within the service area as set forth in Exhibit "A" which is attached hereto and made a part hereof by this reference.

- 2. Management-County. The County shall manage the County transit system in an appropriate manner, insuring cost effective operation, including marketing the system in a professional manner and collecting fares from riders on the County transit system.
- 3. Management-City. The City shall manage the City transit system in an appropriate manner, insuring cost effective operation, including marketing the system in a professional manner and collecting fares from riders on the City transit system.
- 4. Compensation. The County shall compensate the City for service to County residents living in the herein agreed upon service area. Compensation shall be limited to a percentage of the operating costs of the City's Transit System. The term "operating cost" as used in this Agreement shall be defined as all costs in the operating expense object classes of the Uniform Systems of Accounts for Public Transit Operators adopted by the State Controller pursuant to Public Utilities Code Section 99243.

Compensation for the period July 1, 2017 through June 30, 2018, will be as follows:

COMPENSATION

SOURCE

County portion of cost \$18,463

Local Transportation Fund and/or State Transit Assistance Funds

- 5. Authorization of Payment. Local Transportation Fund and/or State Transit Assistance Funds Funds will be claimed by the City on the County's behalf. The County by this Agreement authorizes the Tulare County Association of Governments to transfer \$18,463 of State Transit Assistance Funds, and /or Local Transportation Funds (LTF) from the County's 2017/18 Apportionment to the City of Dinuba's Apportionment. The County further authorizes the City to claim said \$18,463 as full payment for services under this Agreement. In case of termination of this Agreement prior to June 30, 2018, the County agrees to compensate the City for a proportional amount of the sum of \$18,463 based upon the number of days the services were provided by the City during a 365 day period.
- 6. **Drivers**. The parties shall require that all transit drivers meet all licensing requirements of the State of California.
- 7. Indemnification-City. City shall hold harmless, defend and indemnify County, its agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, arising out of the activities of City or its agents, officers and employees under this Agreement and any claims made against County alleging civil rights violations by City under Government Code section 12920 et seq. (California Fair Employment and Housing

Act). This indemnification specifically includes any claims that may be made against County by any taxing authority asserting that an employer-employee relationship exists by reason of this Agreement. This indemnification obligation shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement.

- 8. Indemnification-County. County shall hold harmless, defend and indemnify City, its agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, arising out of the activities of County or its agents, officers and employees under this Agreement, and any claims made against County alleging civil rights violations by City under Government Code section 12920 et seq. (California Fair Employment and Housing Act). This indemnification obligation shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement.
- 9. Insurance-Liability. The City and the County shall each provide comprehensive general public liability and comprehensive automotive liability insurance with single limit coverage of not less than \$5,000,000 or equivalent self-insurance covering their activities under this Agreement. Prior to commencing operations, each party shall file with the Clerk of the other party certificates of insurance evidencing the coverage required herein and naming the other party, its officers, agents and employees as additional insureds. Such certificates shall state that the named additional insureds are not responsible for the payment of any premium or assessment and shall provide that in the event of a cancellation or material change of policy, the insurer shall give the named additional insureds no less than thirty (30) days advance written notice of such cancellation or change. Upon request, each party shall provide the other with a complete copy of the insurance policy or policies or evidence and terms of self-insurance as required herein.

The parties agree, during the term of the Agreement, to maintain at their own expense (or require of their independent contractors) all necessary insurance for their respective officers, employees, and agents, including but not limited to workers' compensation, disability and unemployment insurance in accordance with state statutory requirements and to provide certificates of such insurance or other evidence of compliance to the other party upon request. The insurance, and evidence thereof, required by this Agreement may be provided either directly by the parties or, if a party contracts with an independent contractor/operator to provide the services required by this Agreement, by the operator of that party's system as deemed appropriate by such party.

- 10. Term of Agreement. This Agreement shall become effective July 1, 2017 and shall continue in full force and effect until June 30, 2018 unless terminated earlier, as herein provided.
- 11. **Termination**. The right to terminate this Agreement under this provision may be exercised without prejudice to any other right or remedy to which the terminating party may be entitled at law or under this Agreement.
 - (a) Without Cause. Either party shall have the right to terminate this Agreement without cause by giving the other party SIXTY (60) days prior written notice of its intention to terminate pursuant to this provision, specifying the date of termination.
 - (b) With Cause. This Agreement may be terminated by either party should the other party:
 - (i) be adjudged a bankrupt, or

- (ii) become insolvent or have a receiver appointed, or
- (iii) make a general assignment for the benefit of creditors, or
- (iv) suffer any judgment which remains unsatisfied for 30 days, and which would substantively impair the ability of the judgment debtor to perform under this Agreement, or
 - (v) materially breach this Agreement.

For any of the occurrences except item (v), termination may be effected upon written notice by the terminating party specifying the date of the termination. Upon a material breach, the Agreement may be terminated following the failure of the defaulting party to remedy the breach to the satisfaction of the non-defaulting party within FIVE (5) days of written notice specifying the breach. If the breach is not remedied within that FIVE (5) day period, the non-defaulting party may terminate the Agreement on further written notice specifying the date of termination.

If the nature of the breach is such that it cannot be cured within a FIVE (5) day period, the defaulting party may, submit a written proposal within that period which sets forth a specific means to resolve the default. If the non-defaulting party consents to that proposal in writing, which consent shall not be unreasonably withheld, the defaulting party shall immediately embark on its plan to cure. If the default is not cured within the time agreed, the non-defaulting party may terminate upon written notice specifying the date of termination.

(c) <u>Effects of Termination</u>. Termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records pertaining

to the Agreement, to cooperate with any audit, to be subject to offset, or to make any 1 reports of pre-termination contract activities. 2 12. Notices. Any notices to be given shall be written and served either by personal 3 delivery or by first class mail, postage prepaid and addressed as follows: 4 County: Director of Transportation 5 Resource Management Agency 6 5961 S. Mooney Blvd. 7 Visalia, California 93277 8 9 City: Transit Manager 10 City of Dinuba 11 405 E. El Monte Way 12 Dinuba, California 93618 13 14 13. Integration. This Agreement constitutes the sole and only Agreement between 15 the parties hereto as to the services to be provided hereunder. Any prior agreements, promises, negotiations or representations as to such services not expressly referred to herein 16 are of no force and effect. 17 14. Modification. The City and County shall furnish each other thirty (30) days prior 18 written notice of any and all recommended service level and fare level changes. The City 19 shall request and receive approval from the County Director of Transportation prior to any 20 changes in service levels or fare levels in unincorporated areas of the service area. Except 21 22 for said changes, this Agreement shall be modified or amended only with the prior written

15. **Assignment**. Neither party shall assign or transfer any of the rights or privileges or any parts thereof of this Agreement without the other party's prior written consent.

consent of both parties.

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- 16. **Records**. Each party agrees to maintain all books, records, documents, and other evidence pertaining to this Agreement, any disputes surrounding the subject matter of this Agreement, and any other related circumstances in accordance with generally accepted accounting principles and practices. Each party shall allow the other party's agents or representatives access to such records for inspection, audit, and copying during normal business hours. Each party shall provide further facilities for such access and inspection.
- 17. Surveys. Either the City or the County may conduct periodic ridership surveys. Said surveys shall not interfere with the operation of the system.
- 18. Legal Operation. City and County each shall carry out its obligations under this Agreement in full compliance with all applicable federal, state and local laws, ordinances, rules and regulations.

- 19. **Construction**. This Agreement reflects the contributions of both parties and accordingly the provisions of Civil Code section 1654 shall not apply to address and interpret any uncertainty.
- 20. Governing Law. This Agreement shall be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles. Any litigation arising out of this Agreement shall be brought in Tulare County California. City waives the removal provisions of California Code of Civil Procedure Section 394.
- 21. Conflict with Laws or Regulations/Severability. This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject, the conflicting provision shall be considered null and void. The remainder of the Agreement shall continue in full force and effect.
- 22. **Headings**. Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.
- 23. No Third Party Beneficiaries. Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.
- 24. Waivers. The failure of either party to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by the other party.
- 25. Exhibits and Recitals. The Recitals and the Exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.
- 26. Further Assurances. Each party agrees to execute any additional documents and to perform any further acts which may be reasonably required to effect the purposes of this Agreement.
- 27. Assurances of Non-Discrimination. City and County expressly agree not to discriminate in employment or the provision of services on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.

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9	THE STATE OF THE S	e caused this Agreement to be executed as of the
10	date first above written.	
l 1 l 2		COUNTY OF TULARE
13		COUNTY OF TELARE
14		
15		By the miller
16		Chairman, Board of Supervisors
۱7		"COUNTY"
18	ATTEST:	APPROVED AS TO FORM:
19	County Administrative Officer	
20	Clerk of the Board of Supervisors.	EQUATY COUNSEL
21 22	Milan Maralla	By (1), 2016 473
23	By CHALMAL K DATA LO	Deputy
24	Deputy	Dopaly
25	0 "	CITY OF DINUBA
26		
27		Jeu
28	`	By By
29 30		Title: City Manager
31		"CITY"
32	ATTEST: Clerk of City of Dinuba	
33	. 0 0	
34	Linds Daile	
35	By Julia Burley City Clerk	
36	Deputy City Clerk	
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39	Approved as to Form,	Approved as to Form,
10	County Counsel	City of Dipuba
1		- (llange / X h D.
2	By	By Cluly A ha
13	Deputy	City Attorney

