

INTERLOCAL AGREEMENT FOR BUS REPAIR AND MAINTENANCE SERVICES

THIS INTERLOCAL AGREEMENT for bus repair and maintenance services is entered into this 18 day of June, 2007, by and between the County of Chelan County, ("County"), a municipal corporation and the Chelan/Douglas Public Transportation Benefit Area, a Washington municipal corporation ("Link Transit"), sometimes collectively referred to as "the Parties".

I. RECITALS:

WHEREAS, Chelan County has acquired vehicles similar to those owned and operated by the Link Transit system, and

WHEREAS, Chelan County's capabilities for maintaining and repairing its current vehicle fleet doesn't include the personnel, equipment nor expertise to repair and/or maintain a bus, and

WHEREAS, RCW 36.57A.080 authorizes Link Transit to contract for the exchange of services with another municipal corporation, and

WHEREAS, Chelan County is authorized pursuant to RCW 36.32.120 to contract with another municipal corporation for purposes of the exchange and/or provision of county services and needs, and

WHEREAS, Link Transit currently maintains a fleet of bus vehicles and has on-site equipment, personnel and expertise to repair and maintain said vehicles located in the Olds Station industrial park, and

WHEREAS, the County is aware that no other similar facility for the maintenance and repair of said bus vehicles is available within approximately 150 miles, and

WHEREAS, pursuant to Chapter 39.34 RCW, the Parties are authorized to enter into this Agreement for the purpose of permitting the most efficient use of the Parties' powers by enabling the Parties to mutually cooperate with each other and thereby provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of the local community.

NOW, THEREFORE, the parties hereby mutually agree as follows:

II. AGREEMENT

1. Incorporation. The recitals set forth above are hereby incorporated into this agreement by this reference and constitute binding commitments and representations.

2. Purpose and Scope: The purpose of this agreement is to provide the County with bus vehicle maintenance and repair services by Link Transit, in exchange for payment. Vehicles operated by Chelan County Regional Justice Center "CCRJC" shall not be charged a labor rate. In exchange for labor payment, Link Transit shall have access to inmate labor when needed.

3. Termination and Modification.

3.1 Effective Date/Term. This Agreement shall take effect on the date of final signature, and shall continue to be in full force and effect through _____, for a term of ongoing years, unless otherwise modified or terminated consistent with the provisions herein.

3.2 Termination Notice. Either Party may terminate this Agreement upon sixty (60) days written notice to the other Party of the Party's intent to terminate this Agreement; provided that such notice can only be given between October 1st and January 31st of any year this Agreement is in effect. The terms of this section of the Agreement constitute the full and exclusive remedies between the Parties in the event of any and all breaches or defaults on the part of the County. In the event of any and all breaches or defaults on the part of Link, the County shall first notify Link orally or in writing of said breach or default, and if said breach or default cannot be corrected within a reasonable time, the County shall be entitled to pursue other applicable legal and/or equitable remedies.

3.3 Annual Adjustment. An annual adjustment may be made in the rate of compensation, per hour, to be paid by the County to Link Transit for each service or repair performed. All increases in the amount to be paid by the County to Link Transit shall be pursuant to good faith negotiations of the parties. Link Transit shall provide notice to the County requesting increased rates on or before October 1st of each year, and an addendum incorporating the annual rate increase is hereby authorized to take effect upon approval of the Director of the CCRJC and the Administrator of Link Transit.

3.4 Modification or Amendments. Any and all modifications or amendments to this Agreement, other than an Annual Adjustment conducted consistent with Section 3.3 herein, shall be in writing and executed by the Chelan County Board of Commissioners and the Chair of the Link Transit Board of Directors, consistent with applicable procedural requirements, to be effective.

4. Administration.

4.1 The County shall manage its own bus maintenance and repair program, and the title to any buses used by the County shall at all times remain vested in the County.

4.2 During the term of this Agreement and any renewal, any request for services and concerns of Link Transit shall be communicated to the County by the

administrator for Link Transit or his or her designee.

4.3 The County shall provide to Link Transit a written request for all specific maintenance and repair actions necessary for bus vehicles owned and operated by Chelan County.

4.4 Link Transit shall invoice to the County the cost for each specific bus repair and/or maintenance service provided.

4.5 The County shall remit payment to Link Transit within thirty (30) days of receipt of each invoice.

4.6 By entering into this Agreement, Link Transit hereby warrants and represents that repair and maintenance performed on Chelan County bus vehicles shall be consistent with the best practice and standards for the industry.

4.7 In the case where major repair or replacements require ordering of parts, Link Transit shall notify the County in advance of placing said orders for parts and conducting any major repairs not considered routine maintenance. County shall be obligated for payment of major repairs or replacement deemed not routine maintenance only if County gives advance written authorization to Link Transit for such purchases, replacements or major repairs.

4.8 Parts ordered, by approval from Chelan County, for any necessary bus repairs shall be invoiced for cost plus 10% for shipping, handling and administration.

5. Independent Contractor. The County and Link Transit agree that Link Transit is an independent contractor with respect to services provided to this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the Parties hereto. Neither Link Transit nor any employee of Link Transit shall be entitled to any benefits afforded County employees by virtue of the services or assistance provided under this Agreement. The County shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the State industrial insurance program or otherwise assuming the duties of an employer with respect to Link Transit, or any employees of Link Transit.

6. Mutual Indemnification. The Parties agree to hold harmless, indemnify and defend each other and the officers, agents and employees of the other Party from and against any and all claims, losses or liability for injuries, sickness or death of persons, including employees of the other Party, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of either Party, its agents, officers, contractors, employees, or consultants incurred in connection with the services of this Agreement, provided, however, that each Party's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death, or damage caused by or resulting from the sole willful misconduct or sole negligence of the said Party, its agents,

officers, or employees; and each Party's obligation to indemnify, defend, and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the Parties, shall apply only to the extent of the negligence or willful misconduct of each Party.

7. Severability. In the event any provisions of this agreement shall be determined to be unenforceable or otherwise invalid for any reason, such provisions shall be enforced and valid to the extent permitted by law. All provisions of this agreement are severable and the unenforceability or invalidity of a single provision herein shall not affect the remaining provisions.

8. Governing Law and Venue. This agreement shall be governed by the laws of the State of Washington and venue for any lawsuit shall be in Chelan County Superior Court.

9. Attorney's Fees. In the event it is necessary for either Party to utilize the services of an attorney to enforce any of the terms of this Agreement, neither Party shall be entitled to compensation for its reasonable attorney's fees and costs, regardless of the outcome of any litigation or regardless of who the substantially prevailing Party shall be.

10. Waiver of Breach. The waiver of either Party of the breach of any provision in this Agreement by the other Party must be in writing and shall not operate nor be construed as a waiver of any subsequent breach by such other Party.

11. Savings Clause. Nothing in this Agreement shall be construed so as to require the commission of any acts contrary to law, and wherever there is any conflict between any provisions of this Agreement and any statute, law, public regulation or ordinance, the latter shall prevail, but in such event, the provisions of this Agreement affected shall be curtailed and limited only to the extent necessary to bring it within legal requirements.

12. Filing. This Agreement shall be filed with the Chelan County Auditor's Office pursuant to RCW 39.34.040.

13. Interpretation. This Agreement has been submitted to the scrutiny of all Parties and their counsel, if desired, and it shall be given a fair and reasonable interpretation in accordance with its words, without consideration to or weight given to its being drafted by any Party or its counsel. All words used in the singular shall include the plural, and the present tense shall include the future tense; and the masculine gender shall include the feminine and neuter genders.

14. Notices. Notice requesting enforcement services may be made by the County orally or in written form by telephone or facsimile or any other notices except service of process shall be effective if personally served upon the other Party or mailed by registered or certified mail, return receipt requested, to the following addresses:

Link Transit
Attn: Todd Daniel, Maintenance Manager
2700 Euclid Avenue
Wenatchee, Washington 98801

Chelan County Board of Commissioners
250 Orondo Street
Wenatchee, Washington 98801

Notices mailed shall be deemed given on the date of mailing. The parties shall notify each other in writing of any change of address.

15. Access to Records. The Parties and other authorized representatives of the Parties shall have access to any books, documents, papers and records of the other Party which are pertinent to this Agreement for the purposes of making audits, examinations, and transcriptions. Link Transit shall maintain records pertinent to the performance of this Agreement for a reasonable period of time. Link Transit must retain for its purposes, any records regarding the performance of this Agreement that it deems necessary for whatever reasons.

16. Entire Agreement. This Agreement constitutes the entire and integrated agreement between the County and Link Transit and supercedes all prior negotiations, representations or agreements, either written or oral.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 18 day of June, 2007.

BOARD OF CHELAN COUNTY COMMISSIONERS



Ron Walter
RON WALTER, COMMISSIONER

Keith W. Goehner
KEITH W. GOEHNER, COMMISSIONER

Buell Hawkins
BUELL HAWKINS, COMMISSIONER

ATTEST: JANET K. MERZ

By: Janet K. Merz
Clerk of the Board

Susan E. Hinkle
SUSAN E. HINKLE, DPA, 6/14/07

STATE OF WASHINGTON)

County of Chelan)
) ss.

On this 18th day of June, 2007 before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared Keith W. Goehner, Ron Walter, and Buell Hawkins all Chelan County Commissioners, to me known to be the individuals described in and who executed the within and foregoing agreement, and acknowledged to me that they signed the same as the free and voluntary act and deed of such party, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal hereto affixed the day and year first above written.



Sally J. Taylor
Notary Public in and for the State
of Washington residing in Wenatchee
My commission expires 7-20-2009

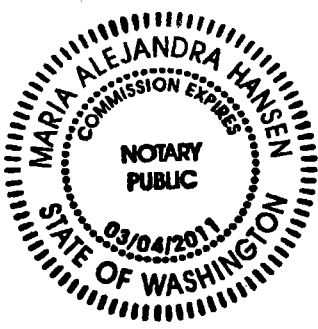
LINK TRANSIT BOARD

By [Signature]
Chair

STATE OF WASHINGTON)
) ss.
County of Chelan)

On this 19th day of June, 2007, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared all of the above Link Transit board members, to me known to be the individuals described in and who executed the within and foregoing agreement, and acknowledged to me that the he/she signed the same as the free and voluntary act and deed of such party, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal hereto affixed the day and year first above written.



Maria Alejandra Hansen
Notary Public in and for the State
of Washington residing in Wenatchee
My commission expires 3/4/2011