



AGENDA ITEM NO.  
**C35**

# COUNTY OF HUMBOLDT

For the meeting of: June 26, 2018

Date: June 19, 2018

To: Board of Supervisors

From: Thomas K. Mattson, Public Works Director *#for TM*

Subject: Agreements with Humboldt Transit Authority Regarding the Administration, Management and Operation of the Southern Humboldt, Tish Non Village and Willow Creek Bus Transit Systems

### RECOMMENDATIONS:

That the Board of Supervisors:

1. Approve, and authorize the Chair of the Board to execute, the attached agreements with Humboldt Transit Authority regarding the administration, management and operation of the Southern Humboldt, Tish Non Village and Willow Creek Bus Transit Systems for the period of July 1, 2018 through June 30, 2021;
2. Approve, and authorize the Chair of the Board to execute, the attached first amendment to the agreement with Humboldt Transit Authority regarding the operation of a bus transit system in the Willow Creek area of Humboldt County for the period of July 1, 2016 through June 30, 2019; and
3. Direct the Clerk of the Board to return three (3) executed copies of the attached agreements and amendment to the Department of Public Works for further processing.

### SOURCE OF FUNDING:

Transportation Services (1150-910) – Local Transportation Fund (LTF)

Prepared by Charlotte Merkel CAO Approval *[Signature]*

REVIEW:	Auditor <u><i>CO</i></u>	County Counsel <u><i>Sm</i></u>	Human Resources <u><i>KKG</i></u>	Other _____
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TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other \_\_\_\_\_

**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT**

Upon motion of Supervisor *Bass* Seconded by Supervisor *Fennell*

Ayes *Bass, Fennell, Sundberg, Bohn*

Nays \_\_\_\_\_

Abstain \_\_\_\_\_

Absent *Wilson*

PREVIOUS ACTION/REFERRAL:

Board Order No. \_\_\_\_\_

Meeting of: \_\_\_\_\_

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *6/26/18*

By: *[Signature]*  
Kathy Hayes, Clerk of the Board

DISCUSSION:

*Southern Humboldt Bus Transit System:*

The current agreement with Humboldt Transit Authority (“HTA”) regarding the operation of a bus transit system in the southern area of Humboldt County covers the inter-city bus route between Eureka and Benbow. As part of the above-referenced agreement, HTA has been operating busses on a regular schedule from Monday through Friday, a reduced schedule on Saturday and a reduced seasonal schedule on Sunday from July through October. The current agreement regarding operation of the Southern Humboldt Bus Transit System is set to expire on June 30, 2018. The attached agreement regarding operation of a bus transit system in the southern area of Humboldt County will allow HTA to continue operating the Southern Humboldt Bus Transit System for the period of July 1, 2018 through June 30, 2021.

*Tish Non Village Bus Transit System:*

The current agreement with HTA regarding the operation of a bus transit system in the Tish Non Village area of Humboldt County covers the deviated fixed bus route between the College of the Redwoods and Fortuna. As part of the above-referenced agreement, HTA has been operating busses on a regular schedule from Monday through Friday. HTA also offers door-to-door bus service, up to three-quarters ( $\frac{3}{4}$ ) of a mile deviation off the fixed route, to the general public upon twenty-four (24) hours advance notice. The current agreement regarding operation of the Tish Non Village Bus Transit System is set to expire on June 30, 2018. The attached agreement regarding operation of a bus transit system in the Tish Non Village area of Humboldt County will allow HTA to continue operating the Tish Non Village Bus Transit System for the period July 1, 2018 through June 30, 2021.

*Willow Creek Bus Transit System:*

The current agreement with HTA regarding the operation of a bus transit system in the Willow Creek area of Humboldt County covers the inter-city bus route between Arcata and Willow Creek. As part of the above-referenced agreement, HTA has been operating busses on a regular schedule from Monday through Friday and a reduced schedule on Saturday. The attached first amendment to the current agreement regarding the operation of the Willow Creek Bus Transit System will shorten the term thereof from July 1, 2016 through June 30, 2019 to July 1, 2016 to June 30, 2018 in order to allow for a uniform service period for all of the transit agreements between the County of Humboldt and HTA. The attached agreement regarding operation of a bus transit system in the Willow Creek area of Humboldt County will allow HTA to continue operating the Willow Creek Bus Transit System for the period of July 1, 2018 through June 30, 2021.

FINANCIAL IMPACT:

*Southern Humboldt Bus Transit System:*

The attached agreement with HTA regarding operation of the Southern Humboldt Bus Transit System has a maximum amount payable of One Million Six Hundred Seventy-One Thousand Two Hundred Six Dollars (\$1,671,206.00) for the contract term. In no event shall the maximum amount paid under the attached agreement regarding operation of the Southern Humboldt Bus Transit System exceed Five Hundred Forty Thousand Six Hundred Eighty-Five Dollars (\$540,685.00) for fiscal year 2018-2019, Five Hundred Fifty-Six Thousand Nine Hundred Six Dollars (\$556,906.00) for fiscal year 2019-2020 and Five Hundred Seventy-Three Thousand Six Hundred Fourteen Dollars (\$573,614.00) for fiscal year 2020-2021.

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Tish Non Village Bus Transit System:

The attached agreement with HTA regarding the operation of the Tish Non Village Bus Transit System has a maximum amount payable of Five Hundred Forty-Nine Thousand Seven Hundred Eighty-Seven Dollars (\$549,787.00) for the contract term. In no event shall the maximum amount paid under the attached agreement regarding the operation of the Tish Non Village Bus Transit System exceed, One Hundred Seventy-Seven Thousand Eight Hundred Seventy-Three Dollars (\$177,873.00) for fiscal year 2018-2019, One Hundred Eighty-Three Thousand Two Hundred Nine Dollars (\$183,209.00) for fiscal year 2019-2020 and One Hundred Eighty-Eight Thousand Seven Hundred Five Dollars (\$188,705.00) for fiscal year 2020-2021.

Willow Creek Bus Transit System:

The attached agreement with HTA regarding the operation of the Willow Creek Bus Transit System has a maximum amount payable of Eight Hundred Eighteen Thousand Five Hundred Seventy-One Dollars (\$818,571.00) for the contract term. In no event shall the maximum amount paid under the attached agreement regarding the operation of the Willow Creek Bus Transit System exceed, Two Hundred Sixty-Seven Thousand Three Hundred Fifty-One Dollars (\$267,351.00) for fiscal year 2018-2019, Two Hundred Seventy-Two Thousand Six Hundred Ninety-Eight Dollars (\$272,698.00) for fiscal year 2019-2020 and Two Hundred Seventy-Eight Thousand One Hundred Fifty-Two Dollars (\$278,152.00) for fiscal year 2020-2021.

Expenditure appropriations related to the attached agreements with HTA regarding operation of the Southern Humboldt, Tish Non Village and Willow Creek Bus Transit Systems have been included in the proposed fiscal year 2018-2019 budget for Transportation Services budget unit 1150-910. As a result, approval of the attached agreements with HTA regarding operation of the Southern Humboldt, Tish Non Village and Willow Creek Bus Transit Systems will not impact the Humboldt County General Fund.

The recommended actions support the Board of Supervisors' Strategic Framework by providing community-appropriate levels of service and providing for and maintaining infrastructure.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve the attached agreements with HTA regarding operation of the Southern Humboldt, Tish Non Village and Willow Creek Bus Transit Systems. However, this alternative is not recommended since it would not allow for the provision of needed bus transit services in the southern Humboldt, Tish Non Village and Willow Creek areas of Humboldt County.

ATTACHMENTS:

1. Agreement with Humboldt Transit Authority Regarding Operation of the Southern Humboldt Bus Transit System for Fiscal Years 2018-2019 through 2020-2021
2. Agreement with Humboldt Transit Authority Regarding Operation of the Tish Non Village Bus Transit System for Fiscal Years 2018-2019 through 2020-2021
3. Agreement with Humboldt Transit Authority Regarding Operation of the Willow Creek Bus Transit System for Fiscal Years 2018-2019 through 2020-2021

4. First Amendment to the Agreement with Humboldt Transit Authority Regarding Operation of the Willow Creek Bus Transit System for Fiscal Years 2016-2017 through 2018-2019



**AGREEMENT FOR OPERATION OF THE SOUTHERN HUMBOLDT BUS TRANSIT SYSTEM  
BY AND BETWEEN  
COUNTY OF HUMBOLDT  
AND  
HUMBOLDT TRANSIT AUTHORITY  
FOR FISCAL YEARS 2018-2019 THROUGH 2020-2021**

This Agreement, entered into this 26<sup>th</sup> day of June, 2018, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Humboldt Transit Authority, a joint powers public entity of the State of California, hereinafter referred to as "HTA," is made upon the following considerations:

WHEREAS, COUNTY desires to provide useful and economical bus service to the citizens of Humboldt County; and

WHEREAS, HTA is qualified and has the capacity to administer and manage the operation of the bus transit system located in the southern portion of Humboldt County ("Southern Humboldt Bus Transit System"); and

WHEREAS, the operation of the Southern Humboldt Bus Transit System shall be controlled by COUNTY in that COUNTY shall establish or approve all policies under which said system operates; and

WHEREAS, nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between COUNTY and HTA.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and obligations contained herein, the parties hereto agree as follows:

1. RIGHTS AND OBLIGATIONS OF HTA:

- A. Operation and Management Services. HTA hereby agrees to manage the operation of the Southern Humboldt Bus Transit System. HTA's management responsibilities shall include, without limitation:
1. Providing a sufficient number of qualified personnel, as determined in HTA's discretion.
  2. Providing such equipment, office and garage space and employee facilities as determined necessary by HTA for adequate operation of the Southern Humboldt Bus Transit System consistent with Exhibit A – Southern Humboldt Bus Transit System Routes ("Exhibit A"), which is attached hereto and incorporated herein by reference.
  3. Compliance with all local, state and federal laws, regulations, ordinances and requirements, including, but not limited to, obtaining and maintaining all necessary licenses and permits for operation of the Southern Humboldt Bus Transit System.
  4. Compliance with all local, state and federal funding requirements, including, but not limited to, Section 5311 of Title 49 of the United States Code ("U.S.C.") and Section 6633.2 of Title 21 of the California Code of Regulations.
  5. Compliance with any and all applicable provisions of 49 U.S.C. Section 5311(f) – Certifications and Assurances for Operating Assistance Projects.

- B. Transportation Services. HTA shall provide public bus transportation over routes and schedules of service and times which will best meet the needs of the residents of the southern portion of Humboldt County in accordance with Exhibit A. As part of providing such transportation services, HTA shall, and within the exercise of HTA's sole discretion:
1. Procure sufficient numbers and types of vehicles to adequately operate the Southern Humboldt Bus Transit System consistent with Exhibit A by applying for and using appropriate federal and state grant funds.
  2. Determine bus route schedules for service levels specified in Exhibit A.
  3. Make short-term changes in fares, routes, services and/or transfer privileges to address unplanned emergency events.
  4. Make minor changes in fares, routes, services and/or transfer privileges that do not cause either an increase of ten percent (10%) or more, or a decrease of twenty percent (20%) or more, in total fare box revenue within the Southern Humboldt Bus Transit System, as computed from the fares specified in Exhibit A.
  5. When deemed appropriate, submit for COUNTY's consideration and written approval of any substantial changes in fares, routes, services and/or transfer privileges. COUNTY shall be given no less than fifteen (15) days written notice of all such proposals.
  6. Promote the Southern Humboldt Bus Transit System and print tickets, schedules and brochures.
  7. HTA shall have the exclusive right to place advertising on the exterior and interior of vehicles used in the Southern Humboldt Bus Transit System. HTA shall be entitled to all revenue derived from such advertising.
- C. Maintenance Services. HTA shall service and maintain all vehicles used in the operation of the Southern Humboldt Bus Transit System and shall at all times keep the vehicles in a clean and well-ordered condition. As part of such maintenance services, HTA shall:
1. Comply with all maintenance requirements as specified by the manufacturer and the California Highway Patrol.
  2. Provide for, and bear the cost associated with, the maintenance of vehicles used in the Southern Humboldt Bus Transit System, including, without limitation, periodic lubrication, exterior and interior cleaning, providing fuel, tires, oil and other maintenance.
  3. Keep any and all maintenance records as deemed appropriate by COUNTY. Such records shall include, without limitation, records of all maintenance and checks performed on vehicles used in the Southern Humboldt Bus Transit System, organized according to date, mileage and engine hours. HTA shall also maintain records showing total maintenance costs, labor time, operating costs and "out of service" periods for each vehicle used in the Southern Humboldt Bus Transit System.
- D. Repairs to Transit Vehicles. Repairs to vehicles used in the Southern Humboldt Bus System will be paid for by HTA; provided, however, that if such repair costs exceed One Thousand Dollars (\$1,000.00), HTA will pay the first One Thousand Dollars (\$1,000.00), and COUNTY will pay the portion in excess thereof. All repairs in excess of One Thousand Dollars



(\$1,000.00) shall be approved in advance by COUNTY. Repairs covered under this provision include, but are not limited to, those necessitated by collision and other non-scheduled repairs which are not part of a regular maintenance schedule. HTA shall pay the full cost of any and all repairs necessitated by faulty maintenance performed by HTA. All repair costs borne by HTA are included in the compensation specified herein, and HTA is not entitled to any payments for repairs exceeding such amounts.

E. Personnel. HTA shall at all times provide sufficient personnel, as determined by HTA in HTA's sole discretion, to render the public transportation services provided for herein. HTA's staffing responsibilities shall include, without limitation:

1. Hiring, supervising, compensating and discharging all personnel involved in the operation of the Southern Humboldt Bus Transit System.
2. Ensuring that all bus operators providing services hereunder meet all applicable local, state and federal requirements for operation of transit vehicles, including possession of a valid Class B vehicle operator's license issued by the State of California.
3. Ensuring that all personnel providing services hereunder conduct themselves in a courteous, efficient and professional manner.
4. Paying all local, state and federal employment taxes and any other benefits or compensation due to personnel providing services hereunder, including, but not limited to, workers' compensation insurance.

F. Accounting for Fares. HTA will remove locked cash vaults from Southern Humboldt Bus Transit System vehicles on a daily basis and count and record the contents of each vault. The fares collected in said vaults will be credited to the Southern Humboldt Transit System on a monthly basis. HTA shall prepare, and submit to COUNTY on a quarterly basis, collection reports which set forth the route for each operating day of each month following the schedule below:

1. July to September report is due by December 31.
2. October to December report is due by March 31.
3. January to March report is due by June 30.
4. April to June report is due by September 30.

G. Operations Data. HTA shall establish, maintain and submit to COUNTY a record for each bus transit system route covered by this Agreement which contains all of the information specified below. HTA shall submit to COUNTY the following information in a six (6) month report by March 31<sup>st</sup> and annual report by September 30<sup>th</sup> for each year of this Agreement that also includes a statement of revenue and expenses (actual vs. budgeted), balance sheet, analysis of change in retained earnings, statement of sources and application of funds:

1. Fare revenue report for each route (to be tabulated on a daily basis).
2. Total ridership by route, day, trip, number and fare category, including transfers.
3. Vehicle revenue service hours by route, day and vehicle.

4. Vehicle revenue service miles by route, day and vehicle.
5. Service breaks summary of breakdowns, road calls, missed trips and delays over thirty (30) minutes by trip number.
6. Complaints, compliments and service requests refused.
7. Vehicle and passenger accidents.
8. Vault count summary by route, day and vault number.
9. Other data which is reasonably necessary for COUNTY to evaluate service efficiency and effectiveness of COUNTY's bus transit system.

H. Business Office. HTA shall maintain a local office and listed telephone under the name Humboldt Transit Authority. The office shall remain open from 8:00 a.m. to 4:30 p.m. (closed for lunch between 12:00 p.m. and 1:00 p.m.), Monday through Friday, except holidays. The Southern Humboldt Transit System office and associated facilities shall be located within the City limits of Eureka, California.

I. Representative on Committees. HTA shall act as a representative for COUNTY on the following committees: Humboldt County Association of Governments Technical Advisory Committee; Social Services Technical Advisory Committee; and Services Coordination Committee.

J. Transportation Development Plan. Beginning on July 1, 2018, HTA shall secure grant funding, and thereafter solicit consulting services, by sending out Requests for Proposals to qualified consulting firms, for the preparation of a Transportation Development Plan for the Southern Humboldt Bus Transit System.

K. Grant Applications. HTA shall prepare all state and federal applications for grant funds for capital procurement and operating assistance for the Southern Humboldt Bus Transit System.

## 2. RIGHTS AND OBLIGATIONS OF COUNTY:

A. Provision of Funds for Transit Vehicles. In the event that HTA is unable to obtain state or federal grant funding to procure a sufficient number of buses to adequately and appropriately operate and manage the Southern Humboldt Bus Transit System consistent with Exhibit A, as determined sufficient by HTA, COUNTY shall, provide funding to HTA to allow HTA to procure transit vehicles for the operation of the Southern Humboldt Bus Transit System. Alternatively, the County may initiate a change to Exhibit A, which may also require a renegotiation of compensation to HTA.

B. Service Changes. COUNTY hereby reserves the right to make substantial changes to the Southern Humboldt Bus Transit System policies set out in Exhibit A, and shall consider all HTA proposals for substantial changes to Exhibit A, in accordance with the following:

1. Any proposed change to Exhibit A shall be deemed a "substantial change" if such change results in any one (1) or more of the following conditions:
  - a. An increase of ten percent (10%) or more in total fare box revenue, as computed from the fares specified in Exhibit A.



- b. A decrease of twenty percent (20%) or more in total fare box revenue, as computed from the fares specified in Exhibit A.
    - c. The addition or deletion of an entire route.
  - 2. Any substantial change to Exhibit A, as defined above, shall require the amount of compensation provided for in this Agreement to be adjusted, through a duly executed written amendment, to compensate for any increase or decrease in the cost to HTA.
- C. Enforcement of Exhibit A. HTA agrees that adherence to a schedule of operations in rendering the public transportation services consistent with Exhibit A is of primary importance. In the event that service consistent with Exhibit A is not provided by HTA, no payment will be made by COUNTY for any services not provided, except as otherwise permitted hereunder. HTA's continued failure to provide services consistent with Exhibit A, except as otherwise permitted hereunder, shall be grounds for termination of this Agreement.
- D. Bus Stops. COUNTY shall install bus stops and shelters as COUNTY shall deem necessary for the operation of service on all routes within the Southern Humboldt Bus Transit System. Stops shall be marked by painted curbs, signs, or other means of identification as COUNTY shall determine. All such identifications shall be of adequate length to permit COUNTY-owned transit vehicles to stop parallel to the curb.
- E. Grant Applications. COUNTY shall provide all necessary resolutions of the Humboldt County Board of Supervisors, and shall publish all public notices, required for the submission of applications for state and/or federal grant funding for capital procurement and operating assistance for the Southern Humboldt Bus Transit System, as requested by HTA. COUNTY shall also provide any information or data which is necessary for the submission of such state and/or federal grant applications. COUNTY shall designate an authorized agent to execute any state and/or federal grant agreements if required.

3. TERM:

The term of this Agreement shall begin on July 1, 2018, and shall remain in full force and effect until June 30, 2021, unless sooner terminated as provided herein.

4. TERMINATION:

- A. Breach of Contract. Either party may terminate this Agreement in whole or in part, in the event that the other party fails to comply with the terms or conditions of this Agreement, or violates any ordinance, regulation or other law applicable to its performance hereunder, and such default or violation continues un-remedied for a period of thirty (30) days following written notice thereof. Any and all notices of default shall be provided to the breaching party, in accordance with the notice provisions set forth herein, within ten (10) days of the date in which the non-breaching party becomes aware, or reasonably should have become aware, of such default. In the event that any breach of the maintenance requirements set forth herein continues un-remedied for a period of ten (10) days following written notice thereof, COUNTY reserves the right to remedy the maintenance deficiencies and charge HTA the cost of said remedy. In the event that either party disputes whether a violation of this Agreement has occurred, or whether a breach of this Agreement has been adequately remedied, the parties shall discuss and attempt to resolve such dispute prior to termination of this Agreement.

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- B. Without Cause. This Agreement may be terminated by either party, at any time, without cause upon one hundred eighty (180) days advance written notice. Such notice shall state the effective date of the termination.
- C. Insufficient Funding. Pursuant to Section 18 of Article XVI of the California Constitution, COUNTY may terminate this Agreement in any fiscal year in which it is determined there is insufficient funding to continue the services provided for herein. COUNTY shall provide HTA fifteen (15) days advance written notice of its intent to terminate this Agreement due to insufficient funding.
- D. Termination for Insolvency. COUNTY may terminate this Agreement immediately upon receiving notice of any of the following:
  - 1. The appointment of a receiver to take possession of a substantial portion of HTA's assets.
  - 2. A general assignment by HTA for the benefit of creditors.
  - 3. Any action taken by, or against, HTA under any insolvency or bankruptcy act.
- E. Effect of Termination. Upon termination of this Agreement, the respective obligations of the parties shall cease and HTA shall return all COUNTY-owned vehicles, equipment and supplies used in the operation of the Southern Humboldt Bus Transit System. All COUNTY-owned vehicles shall be returned in good operating condition with reasonable and normal wear and depreciation accepted.

5. COMPENSATION:

- A. Maximum Amount Payable. The maximum amount payable by COUNTY for services rendered, and expenses incurred, by HTA pursuant to the terms and conditions of this Agreement is One Million Six Hundred Seventy-One Thousand Two Hundred Six Dollars (\$1,671,206.00). This fee shall be paid in the following installments:
  - 1. For the period of July 1, 2018 through June 30, 2019, COUNTY shall pay HTA Five Hundred Forty Thousand Six Hundred Eighty-Five Dollars (\$540,685.00) for the performance of the services set forth in this Agreement.
  - 2. For the period of July 1, 2019 through June 30, 2020, COUNTY shall pay HTA Five Hundred Fifty-Six Five Thousand Nine Hundred Six Dollars (\$556,906.00) for the performance of the services set forth in this Agreement.
  - 3. For the period of July 1, 2020 through June 30, 2021, COUNTY shall pay HTA Five Hundred Seventy-Three Thousand Six Hundred Fourteen Dollars (\$573,614.00) for the performance of the services set forth in this Agreement.
- B. Overhead Allocation. HTA will adjust overhead allocation rates charged to COUNTY based on the addition or deletion of services provided or administered by HTA for other entities. Overhead allocation rates are included in the compensation amounts set forth herein.
- C. Source of Funds. COUNTY shall compensate HTA with monies from COUNTY's Transit Fund and federal grant funding. No other COUNTY funds shall be used to fund the administration, management or operation of the Southern Humboldt Bus Transit System pursuant to the terms and conditions of this Agreement.



- D. Excess Funds. Any and all funds remaining at the end of either of the first two (2) years of this Agreement may be retained by HTA and used to assist with operating expenses for the following year. All funds remaining after the expiration of this Agreement shall be returned to COUNTY once the amount of such excess funds has been confirmed by the audit process set forth herein.
- E. Additional Compensation. HTA shall not be entitled to receive any additional compensation for increases in the cost of operating the Southern Humboldt Bus Transit System prior to the approval of a written amendment to this Agreement by the Humboldt County Board of Supervisors. Should the Humboldt County Board of Supervisors not approve a request for additional compensation, HTA shall have the option of terminating this Agreement. Following notice of termination, HTA shall continue operation of the Southern Humboldt Bus Transit System until COUNTY finds a replacement, provided COUNTY agrees to approve the requested additional compensation in the interim.

6. PAYMENT:

Compensation shall be paid to HTA by COUNTY on an annual basis, pursuant to the funding procedures set forth in the Transportation Development Act and the Federal Transit Act. COUNTY's obligation to provide funding is contingent upon submission of a Local Transportation Fund claim request, and receipt by COUNTY of sufficient state and/or federal funding.

7. NOTICES:

Any and all notices required to be given pursuant to the terms of this Agreement shall be in writing and served personally, or sent by certified mail, return receipt requested, to the respective addresses set forth below. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

COUNTY: Humboldt County Department of Public Works  
Attention: Thomas K. Mattson, Public Works Director  
1106 Second Street  
Eureka, California 95501

HTA: Humboldt Transit Authority  
Attention: Greg Pratt, General Manager  
133 V Street  
Eureka, California 95501

8. REPORTS:

- A. Preparation of Required Reports. HTA agrees to prepare, and provide COUNTY with, any and all reports which may be required by local, state or federal agencies for compliance with this Agreement. Reports shall be submitted no later than fifteen (15) days after the end of each calendar quarter using the format required by the State of California as appropriate. By February 1<sup>st</sup> of each year, HTA agrees to submit a report to COUNTY of its efforts or plans of seeking and applying for outside funding for operational and/or capital assistance for the covered fiscal year, to augment its revenue sources.
- B. Maintenance and Preservation of Reports. HTA shall maintain and preserve all reports related to the administration, management and operation of the Southern Humboldt Bus Transit System for a period of at least three (3) years after the date of final payment hereunder, except



that if any litigation, claim, negotiation, audit exception or other action relating to this Agreement is pending at the end of the three (3) year period, the reports shall be retained until completion and resolution of all issues arising therefrom.

9. RECORD RETENTION AND INSPECTION:

- A. Maintenance and Preservation of Performance Records. HTA agrees to timely prepare accurate and complete records and accounts of all receipts and expenditures, evidence of indebtedness and credit and transactions relating to the administration, management and operation of the Southern Humboldt Bus Transit System. HTA shall maintain and preserve said records for a period of at least three (3) years after the date of final payment hereunder, except that if any litigation, claim, negotiation, audit exception or other action relating to this Agreement is pending at the end of the three (3) year period, the records shall be retained until completion and resolution of all issues arising therefrom. Such records shall be original entry books with a general ledger itemizing all debits and credits related to the administration, management and operation of the Southern Humboldt Bus Transit System.
- B. Inspection of Records. Pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of HTA, and its subcontractors, related to the administration, management and operation of the Southern Humboldt Bus Transit System, shall be subject to the examination and audit of the California State Auditor, and any other duly authorized agents of the State of California, for a period of three (3) years after the date of final payment hereunder. HTA hereby agrees to make such records available during normal business hours to inspection, audit and reproduction by COUNTY and any other duly authorized local, state and/or federal agencies. HTA further agrees to allow interviews of any of its employees who might reasonably have information related to such records by COUNTY and any other duly authorized local, state and/or federal agencies. All examinations and audits conducted hereunder shall be strictly confined to those matters connected with the performance of this Agreement, including, without limitation, the costs associated with the administration, management and operation of the Southern Humboldt Bus Transit System. HTA shall hold COUNTY harmless for any liability resulting from said audit.
- C. Independent Audits. HTA shall provide an independent audit by a certified public accountant on an annual basis. In the event of an audit exception or exceptions, the party responsible for not meeting the requirements set forth herein shall be responsible for the deficiency. If the allowable expenditures cannot be determined because HTA's documentation is nonexistent or inadequate, according to generally accepted accounting practices, the questionable cost shall be disallowed by COUNTY.

10. MONITORING:

HTA agrees that COUNTY has the right to monitor all activities related to this Agreement, including the right to review and monitor HTA's records, programs or procedures, at any time, as well as the overall administration, management and operation of the Southern Humboldt Bus Transit System, in order to ensure compliance with the terms and conditions of this Agreement. HTA will cooperate with a corrective action plan, if deficiencies in HTA's records, programs or procedures are identified by COUNTY. However, COUNTY is not responsible, and will not be held accountable, for overseeing or evaluating the adequacy of HTA's performance hereunder. COUNTY shall not be permitted access to confidential HTA personnel information or other records that may be subject to non-disclosure pursuant to applicable local, state and federal laws, regulations and standards.

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11. CONFIDENTIAL INFORMATION:

- A. Disclosure of Confidential Information. In performance of this Agreement, HTA may receive information that is confidential under local, state or federal law. HTA hereby agrees to protect all confidential information in conformance with any and all applicable local, state and federal laws, regulations, policies, procedures and standards.
- B. Continuing Compliance with Confidentiality Laws. The parties acknowledge that local, state and federal laws, regulations and standards pertaining to confidentiality, electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to ensure compliance with such developments. Each party agrees to promptly enter into negotiations concerning an amendment to this Agreement embodying written assurances consistent with any and all applicable local, state and federal laws, regulations or standards.

12. NON-DISCRIMINATION COMPLIANCE:

- A. Professional Services and Employment. In connection with the execution of this Agreement, HTA shall not discriminate in the provision of professional services or against any employee, or applicant for employment, on the basis of race, religion or religious creed, color, age (over forty (40) years of age), sex (including gender identity and expression, pregnancy, childbirth and related medical conditions), sexual orientation (including heterosexuality, homosexuality and bisexuality), national origin, ancestry, marital status, medical condition (including cancer, genetic characteristics, HIV status and AIDS), physical or mental disability (including use of family care leave), political affiliation, military service or any other classifications protected by local, state and federal laws and regulations. Nothing herein shall be construed to require employment of unqualified persons.
- B. Compliance with Anti-Discrimination Laws. HTA further assures that it will abide by the provisions of: Title VI and Title VII of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975; Title II of the Americans with Disabilities Act of 1990; the California Fair Employment and Housing Act; California Civil Code Sections 51, et seq.; California Government Code Sections 4450, et seq.; California Welfare and Institutions Code Section 10000; Division 21 of the California Department of Social Services Manual of Policies and Procedures; United States Executive Order 11246, as amended and supplemented by United States Executive Order 11375 and Part 60 of Title 41 of the Code of Federal Regulations; and any other applicable local, state and federal laws and regulations, all as may be amended from time to time. The applicable regulations of the California Fair Employment and Housing Commission implementing California Government Code Section 12990, set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

13. NUCLEAR FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

By executing this Agreement, HTA certifies that it is not a Nuclear Weapons Contractor, in that HTA is not knowingly or intentionally engaged in the research, development, production or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. HTA agrees to notify COUNTY immediately if it becomes a Nuclear Weapons Contractor, as defined above. COUNTY may immediately terminate this Agreement if it determines that the foregoing certification is false or if HTA subsequently becomes a Nuclear Weapons Contractor.



14. INDEMNIFICATION:

- A. Hold Harmless, Defense and Indemnification. HTA shall, to the fullest extent permitted by law, indemnify, defend and hold harmless COUNTY and its agents, officers, officials, employees and volunteers from and against any and all claims, liabilities, expenses, liens, or damages of any kind or nature, including, without limitation, liability for personal injury, property damage and reasonable attorneys' fees and other costs of litigation ("Claim"), that arise out of, or in connection with, HTA's performance of, or failure to comply with, any of the obligations contained herein, except any such loss or damage which was caused by the sole negligence or willful misconduct of COUNTY.
- B. Immediate Duty. HTA's duty to indemnify, defend and hold harmless COUNTY arises immediately at the time that any Claim is alleged against COUNTY, whether or not such Claim includes allegations of negligence (active or passive) or willful misconduct by COUNTY, and whether or not such Claim is groundless, false or fraudulent. Said duty continues until a court of competent jurisdiction determines with finality that the Claim did not arise out of, or in connection with, HTA's performance of, or failure to comply with, any of the obligations contained herein, and/or that the Claim was entirely caused by the sole negligence or willful misconduct of COUNTY.
- C. Effect of Insurance. Acceptance of the insurance required by this Agreement shall not relieve HTA from liability under this provision. This provision shall apply to all claims for damages related to HTA's performance hereunder, regardless of whether any insurance is applicable or not. The Insurance policy limits set forth herein shall not act as a limitation upon the amount of indemnification or defense to be provided by HTA hereunder.

15. INSURANCE REQUIREMENTS:

This Agreement shall not be executed by COUNTY, and HTA is not entitled to any rights hereunder, unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, are filed with the Clerk of the Humboldt County Board of Supervisors.

- A. General Insurance Requirements. Without limiting HTA's indemnification obligations provided for herein, HTA shall, and shall require that all subcontractors hereunder, take out and maintain, throughout the period of this Agreement and any extended term thereof, the following policies of insurance placed with insurers authorized to do business in the State of California and with a current A.M. Bests rating of no less than A:VII or its equivalent against personal injury, death and property damage which may arise from, or in connection with, the activities hereunder of HTA and its agents, officers, directors, employees, licensees, invitees, assignees or subcontractors:
  - 1. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability Coverage (occurrence form CG 0001), in an amount of Two Million Dollars (\$2,000,000.00) per occurrence for any one (1) incident, including, but not limited to, personal injury, death and property damage. If a general aggregate limit is used, such limit shall apply separately hereto or shall be twice the required occurrence limit.
  - 2. Automobile/Motor Liability Insurance with a limit of liability not less than One Million Dollars (\$1,000,000.00) combined single limit coverage. Such insurance shall include coverage of all owned, hired and non-owned vehicles. Said coverage shall be at least as broad as Insurance Services Office Form Code 1 (any auto).



3. Workers' Compensation Insurance, as required by the California Labor Code, with statutory limits and Employers Liability Insurance with a limit of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. Said policy shall contain, or be endorsed to contain, a waiver of subrogation against COUNTY or its agents, officers, officials, employees and volunteers.
- B. Special Insurance Requirements. Said policies shall, unless otherwise specified herein, be endorsed with the following provisions:
1. The Comprehensive or Commercial General Liability Policy shall provide that COUNTY and its agents, officers, officials, employees and volunteers are covered as additional insured for liability arising out of the operations performed by, or on behalf of, HTA. The coverage shall contain no special limitations on the scope of protection afforded to COUNTY or its agents, officers, officials, employees and volunteers. Said policy shall also contain a provision stating that such coverage:
    - a. Includes contractual liability.
    - b. Does not contain exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to as "XCU Hazards."
    - c. Is the primary insurance with regard to COUNTY.
    - d. Does not contain a pro-rata, excess only and/or escape clause.
    - e. Contains a cross liability, severability of interest or separation of insureds clause.
  2. The above-referenced policies shall not be canceled, non-renewed or materially reduced in coverage, without thirty (30) days prior written notice, or ten (10) days prior written notice for non-payment of the premium, being provided to COUNTY in accordance with the notice provisions set forth herein. It is further understood that HTA shall not terminate such coverage until COUNTY receives adequate proof that equal or better insurance has been secured.
  3. The inclusion of more than one (1) insured shall not operate to impair the rights of one (1) insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one (1) insured shall not operate to increase the limits of the insurer's liability.
  4. For claims related to this Agreement, HTA's insurance is the primary coverage to COUNTY, and any insurance or self-insurance programs maintained thereby are excess to HTA's insurance and will not be used to contribute therewith.
  5. Any failure to comply with the provisions of this Agreement shall not affect coverage provided to COUNTY or its agents, officers, officials, employees and volunteers.
  6. HTA shall furnish COUNTY with certificates and original endorsements effecting the required coverage prior to execution of this Agreement. The endorsements shall be on forms approved by the Humboldt County Risk Manager or County Counsel. Any deductible or self-insured retention over One Hundred Thousand Dollars (\$100,000.00) shall be disclosed to, and approved by, COUNTY. If HTA does not keep all required

policies in full force and effect, COUNTY shall notify HTA in writing and HTA shall have thirty (30) days from the date of written notification to cure such lapse to COUNTY's reasonable satisfaction. If HTA does not cure such lapse, COUNTY may, in addition to any other available remedies, take out the necessary insurance and deduct the cost of said insurance from the monies owed to HTA under this Agreement.

7. COUNTY is to be notified immediately if twenty-five percent (25%) or more of any required insurance aggregate limit is encumbered, and HTA shall be required to purchase additional coverage to meet the above aggregate limits.

- C. Insurance Notices. Any and all insurance notices required to be given pursuant to the terms of this Agreement shall be sent to the addresses set forth below in accordance with the notice provisions described herein.

COUNTY: County of Humboldt  
Attention: Risk Management  
825 Fifth Street, Room 131  
Eureka, California 95501

AND

Humboldt County Department of Public Works  
Attention: Thomas K. Mattson, Public Works Director  
1106 Second Street  
Eureka, California, 95501

HTA: Humboldt Transit Authority  
Attention: Greg Pratt, General Manager  
133 V Street  
Eureka, California 95501

#### 16. RELATIONSHIP OF PARTIES:

It is understood that this Agreement is by and between two (2) independent public agencies and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or any other similar association. COUNTY shall not exercise discretion or control over the professional manner in which HTA performs the services required hereunder. The sole interest of COUNTY is to ensure that the services required under this Agreement are performed in a competent, efficient and satisfactory manner. HTA shall be fully responsible for payment of all applicable taxes due to the State of California or the federal government. COUNTY shall not be liable for deductions, of any amount for any purpose, from HTA's compensation. Both parties further agree that HTA employees shall not be entitled to any benefits to which COUNTY employees are entitled, including, but not limited to, overtime, retirement benefits, leave benefits or workers' compensation.

#### 17. COMPLIANCE WITH LAWS:

HTA agrees to comply with any and all local, state and federal laws, regulations and standards applicable to the administration, management and operation of the Southern Humboldt Bus Transit System. HTA further agrees to comply with any and all applicable local, state and federal licensure and certification requirements.



18. PROVISIONS REQUIRED BY LAW:

This Agreement is subject to any additional local, state and federal restrictions, limitations or conditions that may affect the provisions, terms or funding of this Agreement. This Agreement shall be read and enforced as though all legally required provisions are included herein, and if for any reason any such provision is not included, or is not correctly stated, the parties agree to amend the pertinent section to make such insertion or correction.

19. REFERENCE TO LAWS AND RULES:

In the event any law, regulation or standard referred to in this Agreement is amended during the term hereof, the parties agree to comply with the amended provision as of the effective date thereof.

20. SEVERABILITY:

If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

21. ASSIGNMENT:

HTA shall not delegate its duties or assign its rights hereunder, either in whole or in part, without COUNTY's prior written consent. Any assignment by HTA in violation of this provision shall be void, and shall be cause for immediate termination of this Agreement. This provision shall not be applicable to service agreements or other arrangements usually or customarily entered into by HTA to obtain supplies, technical support or professional services.

22. AGREEMENT SHALL BIND SUCCESSORS:

All provisions of this Agreement shall be fully binding upon, and shall inure to the benefit of, the parties and to each of their heirs, executors, administrators, successors and permitted assigns.

23. NO WAIVER OF DEFAULT:

The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement. In no event shall any payment by COUNTY constitute a waiver of any breach of this Agreement or any default which may then exist on the part of HTA. Nor shall such payment impair or prejudice any remedy available to COUNTY with respect to any breach or default. COUNTY shall have the right to demand repayment of, and HTA shall promptly refund, any funds disbursed to HTA, which COUNTY determines were not expended in accordance with the terms of this Agreement.

24. NON-LIABILITY OF COUNTY OFFICIALS AND EMPLOYEES:

No official or employee of COUNTY shall be personally liable for any default or liability under this Agreement.

25. STANDARD OF PRACTICE:

HTA warrants that it has the capacity and qualifications necessary to administer, manage and operate the Southern Humboldt Bus Transit System. It is hereby understood that COUNTY's

acceptance of the services performed pursuant to the terms and conditions of this Agreement shall not operate as a waiver or release of any breach of this Agreement.

26. AMENDMENT:

This Agreement may be amended at any time during the term of this Agreement upon the mutual consent of both parties. No addition to, or alteration of, the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

27. TITLE TO INFORMATION AND DOCUMENTS:

It is understood that any and all documents, information and reports concerning the subject matter of this Agreement prepared and/or submitted by HTA shall become the property of COUNTY. However, HTA may retain copies of such documents and information for its records. In the event this Agreement is terminated, for any reason whatsoever, HTA shall promptly turn over all such documents, information and reports to COUNTY without exception or reservation.

28. MEDIA RELEASE:

All informational material related to this Agreement shall receive approval from COUNTY prior to being used as advertising or released to the media, including, but not limited to, television, radio, newspapers and internet. HTA shall inform COUNTY of all requests for interviews by media related to this Agreement before such interviews take place; and COUNTY shall be entitled to have a representative present at such interviews. All notices required by this provision shall be given to the Humboldt County Administrative Officer.

29. SUBCONTRACTS:

HTA shall obtain prior written approval from COUNTY before subcontracting any of the services to be provided pursuant to the terms and conditions of this Agreement. Any and all subcontracts will be subject to all applicable provisions of this Agreement, including, without limitation, the licensing, certification and confidentiality requirements set forth herein. HTA shall remain legally responsible for the performance of all terms and conditions of this Agreement, including work performed by third parties under subcontracts, whether approved by COUNTY or not.

30. JURISDICTION AND VENUE:

This Agreement shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder, or relating hereto, shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to California Code of Civil Procedure Sections 394 or 395.

31. SURVIVAL:

The duties and obligations of the parties set forth in Section 8 – Reports, Section 9 – Record Retention and Inspection, Section 11 – Confidential Information and Section 14 – Indemnification shall survive the expiration or termination of this Agreement.

32. FORCE MAJEURE:

A. Inability to Perform. Neither party hereto shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control, and without the fault or



negligence, of such party. Such events shall include, without limitation, acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism or other disaster, whether or not similar the foregoing. The party claiming excuse of performance hereunder shall, within five (5) days after the occurrence of any such cause or causes, present to the other party written notice of the facts constituting such cause and claiming excuse of performance hereunder.

- B. Effect. In the event HTA is excused from performing its obligations hereunder for any of the aforesaid reasons, COUNTY may, at COUNTY's absolute discretion, perform all such obligations itself without liability to HTA therefore. Further, and notwithstanding the termination provisions set forth herein, COUNTY may terminate this Agreement at any time during such a period of non-performance by providing HTA written notice of not less than seven (7) days prior to the effective date of such termination.

33. CONFLICTING TERMS OR CONDITIONS:

In the event of any conflict in the terms or conditions set forth in any other agreements in place between the parties hereto and the terms and conditions set forth in this Agreement, the terms and conditions set forth herein shall have priority.

34. INTERPRETATION:

This Agreement, as well as its individual provisions, shall be deemed to have been prepared equally by both of the parties hereto, and shall not be construed or interpreted more favorably for one (1) party on the basis that the other party prepared it.

35. INDEPENDENT CONSTRUCTION:

The titles of the sections, subsections, and paragraphs set forth in this Agreement are inserted for convenience of reference only, and shall be disregarded in construing or interpreting any of the provisions of this Agreement.

36. ENTIRE AGREEMENT:

This Agreement contains all of the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto. In addition, this Agreement shall supersede in their entirety any and all prior agreements, promises, representations, understandings and negotiations of the parties, whether oral or written, concerning the same subject matter. HTA shall be entitled to no other benefits other than those specified herein. HTA specifically acknowledges that in entering into and executing this Agreement, HTA relies solely upon the provisions contained in this Agreement and no others. Any and all acts which may have already been consummated pursuant to the terms and conditions of this Agreement are hereby ratified.

37. AUTHORITY TO EXECUTE:

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations hereunder have been duly authorized.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the first date written above.

**HUMBOLDT TRANSIT AUTHORITY:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Nancy Diamond, General Counsel

**COUNTY OF HUMBOLDT:**

By:  \_\_\_\_\_

Date: 6/26/18

Ryan Sundberg  
Chair, Humboldt County Board of Supervisors

**INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:**

By:  \_\_\_\_\_  
Risk Management

Date: 6/22/18

**LIST OF EXHIBITS:**

Exhibit A – Southern Humboldt Bus Transit System Routes



**EXHIBIT A**  
**SOUTHERN HUMBOLDT BUS TRANSIT SYSTEM ROUTES**  
Humboldt Transit Authority  
For Fiscal Years 2018-2019 Through 2020-2021

A. INTERCITY BUS:

1. There will be several stops between Benbow and corner of 4<sup>th</sup>/5<sup>th</sup> & H.
2. The bus will operate on a regular schedule from Monday to Friday, a reduced schedule on Saturday, and a reduced seasonal schedule on Sunday from July to October.
3. Cash Fares:
  - 3.1 Regular: \$6.25
  - 3.2 Reduced: \$5.75
4. Transit Pass Fares:
  - 4.1 Regular \$4.00
  - 4.2 Reduced: \$3.45
  - 4.3 \$10 Transit Pass
  - 4.4 \$20 Transit Pass
5. Unlimited Rides Month Pass:
  - 5.1 Regular: \$113.00
  - 5.2 Reduced: \$102.00

**AGREEMENT FOR OPERATION OF THE TISH NON VILLAGE BUS TRANSIT SYSTEM  
BY AND BETWEEN  
COUNTY OF HUMBOLDT  
AND  
HUMBOLDT TRANSIT AUTHORITY  
FOR FISCAL YEARS 2018-2019 THROUGH 2020-2021**

This Agreement, entered into this 26<sup>th</sup> day of June, 2018, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Humboldt Transit Authority, a joint powers public entity of the State of California, hereinafter referred to as "HTA," is made upon the following considerations:

WHEREAS, COUNTY desires to provide useful and economical bus service to the citizens of Humboldt County; and

WHEREAS, HTA is qualified and has the capacity to administer and manage the operation of the Tish Non Village Bus Transit System; and

WHEREAS, the operation of the Tish Non Village Bus Transit System shall be controlled by COUNTY in that COUNTY shall establish or approve any and all policies under which said system functions and operates; and

WHEREAS, nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between COUNTY and HTA.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and obligations contained herein, the parties hereto agree as follows:

1. RIGHTS AND OBLIGATIONS OF HTA:

- A. Operation and Management Services. HTA hereby agrees to manage the operation of the Tish Non Village Bus Transit System. HTA's management responsibilities shall include, without limitation:
1. Providing a sufficient number of qualified personnel, as determined in HTA's discretion.
  2. Providing necessary vehicle maintenance, equipment, office and garage space and employee facilities, as determined necessary by HTA for adequate operation of the Tish Non Village Bus Transit System consistent with Exhibit A – Deviated Fixed Rates ("Exhibit A"), which is attached hereto and incorporated herein by reference.
  3. Compliance with all local, state and federal laws, regulations, ordinances and requirements, including, but not limited to, obtaining and maintaining all necessary licenses and permits for operation of the Tish Non Village Bus Transit System.
  4. Compliance with all local, state and federal funding requirements, including, but not limited to, Section 5311 of Title 49 of the United States Code ("U.S.C.") and Section 6633.2 of Title 21 of the California Code of Regulations.
  5. Compliance with all applicable provisions of the Certifications and Assurances for Federal Transit Administration Assistance Programs.



- B. Transportation Services. HTA shall provide public bus transportation over routes and schedules of service and times which will best meet the needs of the residents of Humboldt County consistent with Exhibit A. As part of providing such transportation services, and within the exercise of HTA's sole discretion, HTA shall:
1. Procure sufficient numbers and types of vehicles to adequately operate the Tish Non Village Bus Transit System consistent with Exhibit A by applying for and using appropriate federal and state grant funds.
  2. Determine bus route schedules consistent with Exhibit A.
  3. Make short-term changes in fares, routes, services and/or transfer privileges to address unplanned emergency events.
  4. Make minor changes in fares, routes, services and/or transfer privileges that do not cause either an increase of ten percent (10%) or more, or a decrease of twenty percent (20%) or more, in total fare box revenue within the Tish Non Village Bus Transit System, as computed from the fares specified in Exhibit A.
  5. When deemed appropriate, submit for COUNTY's consideration and written approval of any substantial changes in fares, routes, services and/or transfer privileges. COUNTY shall be given no less than fifteen (15) days written notice of all such proposals.
  6. Promote the Tish Non Village Bus Transit System and print tickets, schedules and brochures.
  7. HTA shall have the exclusive right to place advertising on the exterior and interior of vehicles used in the Tish Non Village Bus Transit System. HTA shall be entitled to all revenue derived from such advertising.
- C. Maintenance Services. HTA shall service and maintain all vehicles used in the operation of the Tish Non Village Bus Transit System and shall at all times keep the vehicles in a clean and well-ordered condition. As part of such maintenance services, HTA shall:
1. Comply with all maintenance requirements as specified by the manufacturer and the California Highway Patrol.
  2. Provide for, and bear the cost associated with, the maintenance of all vehicles used in the Tish Non Village Bus Transit System, including, without limitation, periodic lubrication, exterior and interior cleaning, providing fuel, tires, oil and other maintenance.
  3. Keep any and all maintenance records as deemed appropriate by COUNTY. Such records shall include, without limitation, records of all maintenance and checks performed on all vehicles used in the Tish Non Village Bus Transit System, organized according to date, mileage and engine hours. HTA shall also maintain records showing total maintenance costs, labor time, operating costs and "out of service" periods for each vehicle used in the Tish Non Village Bus Transit System.
- D. Repairs of Transit Vehicles. Repairs to vehicles used in the Tish Non Village Bus Transit System will be paid for by HTA; provided, however, that if such repair costs exceed One Thousand Dollars (\$1,000.00), HTA will pay the first One Thousand Dollars (\$1,000.00), and COUNTY will pay the portion in excess thereof. All repairs in excess of One Thousand

Dollars (\$1,000.00) shall be approved in advance by COUNTY. Repairs covered under this provision include, but are not limited to, those necessitated by collision and other non-scheduled repairs which are not part of a regular maintenance schedule. HTA shall pay the full cost of any and all repairs necessitated by faulty maintenance performed by HTA. All repair costs borne by HTA are included in the compensation specified herein, and HTA is not entitled to any payments for repairs exceeding such amounts.

E. Personnel. HTA shall at all times provide sufficient personnel, as determined by HTA in HTA's sole discretion, to render the public transportation services provided for herein. HTA's staffing responsibilities shall include, without limitation:

1. Hiring, supervising, compensating and discharging all personnel involved in the operation of the Tish Non Village Bus Transit System.
2. Ensuring that all bus operators providing services hereunder meet all applicable local, state and federal requirements for operation of transit vehicles, including possession of a valid Class B vehicle operator's license issued by the State of California.
3. Ensuring that all personnel providing services hereunder conduct themselves in a courteous, efficient and professional manner.
4. Paying all local, state and federal employment taxes and any other benefits or compensation due to personnel providing services hereunder, including, but not limited to, workers' compensation insurance.

F. Accounting for Fares. HTA will remove locked cash vaults from Tish Non Village Bus Transit System vehicles on a daily basis and count and record the contents of each vault. The fares collected in said vaults will be credited to the Tish Non Village Bus Transit System on a monthly basis. HTA shall prepare, and submit to COUNTY on a quarterly basis, collection reports which set forth the route for each operating day of each month following the schedule below:

1. July to September report is due by December 31.
2. October to December report is due by March 31.
3. January to March report is due by June 30.
4. April to June report is due by September 30.

G. Operations Data. HTA shall establish, maintain and submit to COUNTY a record for each bus transit system route covered by this Agreement which contains all of the information specified below. HTA shall submit to COUNTY the following information in a six (6) month report by March 31<sup>st</sup> and annual report by September 30<sup>th</sup> for each year of this Agreement that also includes a statement of revenue and expenses (actual vs. budgeted), balance sheet, analysis of change in retained earnings, statement of sources and application of funds:

1. Fare revenue report for each route (to be tabulated on a daily basis).
2. Total ridership by route, day, trip, number and fare category, including transfers.
3. Vehicle revenue service hours by route, day and vehicle.



4. Vehicle revenue service miles by route, day and vehicle.
5. Service breaks summary of breakdowns, road calls, missed trips and delays over thirty (30) minutes by trip number.
6. Complaints, compliments and service requests refused.
7. Vehicle and passenger accidents.
8. Vault count summary by route, day and vault number.
9. Other data which is reasonably necessary for COUNTY to evaluate service efficiency and effectiveness of COUNTY's bus transit system.

H. Business Office. HTA shall maintain a local office and listed telephone under the name Humboldt Transit Authority. The office shall remain open from 8:00 a.m. to 4:30 p.m. (closed for lunch between 12:00 p.m. and 1:00 p.m.), Monday through Friday, except holidays. The Tish Non Village Transit System office and associated facilities shall be located within the City limits of Eureka, California.

I. Representative on Committees. HTA shall act as a representative for COUNTY on the following committees: Humboldt County Association of Governments Technical Advisory Committee; Social Services Technical Advisory Committee; and Services Coordination Committee.

J. Transportation Development Plan. Beginning on July 1, 2018, HTA shall secure grant funding, and thereafter solicit consulting services, by sending out Requests for Proposals to qualified consulting firms, for the preparation of a Transportation Development Plan for the Tish Non Village Bus Transit System.

K. Grant Applications. HTA shall prepare all state and federal applications for grant funds for capital procurement and operating assistance for the Tish Non Village Bus Transit System.

2. RIGHTS AND OBLIGATIONS OF COUNTY:

A. Provision of Funds for Transit Vehicles. In the event that HTA is unable to obtain state or federal grant funding to procure a sufficient number of buses to adequately and appropriately operate and manage the Tish Non Village Bus Transit System consistent with Exhibit A, as determined sufficient by HTA, COUNTY shall, provide funding to HTA to allow HTA to procure transit vehicles for the operation of the Tish Non Village Bus Transit System. Alternatively, the County may initiate a change in Exhibit A, which may also require a renegotiation of compensation to HTA.

B. Service Changes. COUNTY hereby reserves the right to make substantial changes to the Tish Non Village Bus Transit System policies set out in Exhibit A, and shall consider all HTA proposals for substantial changes to Exhibit A, in accordance with the following:

1. Any proposed change to Exhibit A shall be deemed a "substantial change" if such change results in any one (1) or more of the following conditions:
  - a. An increase of ten percent (10%) or more in total fare box revenue, as computed from the fares specified in Exhibit A.

- b. A decrease of twenty percent (20%) or more in total fare box revenue, as computed from the fares specified in Exhibit A.
    - c. The addition or deletion of an entire route.
  - 2. Any substantial change to Exhibit A, as defined above, shall require the amount of compensation provided for in this Agreement to be adjusted, through a duly executed written amendment, to compensate for any increase or decrease in the cost to HTA.
- C. Enforcement of Exhibit A. HTA agrees that adherence to a schedule of operations in rendering the public transportation services consistent with Exhibit A is of primary importance. In the event that service consistent with Exhibit A is not provided by HTA, no payment will be made by COUNTY for services not provided, except as otherwise permitted hereunder. HTA's continued failure to provide services consistent with Exhibit A, except as otherwise permitted hereunder, shall be grounds for termination of this Agreement.
- D. Bus Stops. COUNTY shall install bus stops and shelters as COUNTY shall deem necessary for the operation of the service on all routes within the Tish Non Village Bus Transit System. Stops shall be marked by painted curbs, signs, or other means of identification as COUNTY shall determine. All such identifications shall be of adequate length to permit COUNTY-owned transit vehicles to stop parallel to the curb.
- E. Grant Applications. COUNTY shall provide all necessary resolutions of the Humboldt County Board of Supervisors, and shall publish all public notices, required for the submission of applications for state and/or federal grant funding for capital procurement and operating assistance for the Tish Non Village Bus Transit System, as requested by HTA. COUNTY shall also provide any information or data which is necessary for the submission of such state and/or federal grant applications. COUNTY shall designate an authorized agent to execute any state and/or federal grant agreements if required.

3. TERM:

The term of this Agreement shall begin on July 1, 2018, and shall remain in full force and effect until June 30, 2021, unless sooner terminated as provided herein.

4. TERMINATION:

- A. Breach of Contract. Either party may terminate this Agreement, in whole or in part, in the event that the other party fails to comply with the terms or conditions of this Agreement, or violates any ordinance, regulation or other law applicable to its performance hereunder, and such default or violation continues un-remedied for a period of thirty (30) days following written notice thereof. Any and all notices of default shall be provided to the breaching party, in accordance with the notice provisions set forth herein, within ten (10) days of the date in which the non-breaching party becomes aware, or reasonably should have become aware, of such default. In the event that any breach of the maintenance requirements set forth herein continues un-remedied for a period of ten (10) days following written notice thereof, COUNTY reserves the right to remedy the maintenance deficiencies and charge HTA the cost of said remedy. In the event that either party disputes whether a violation of this Agreement has occurred, or whether a breach of this Agreement has been adequately remedied, the parties shall discuss and attempt to resolve such dispute prior to termination of this Agreement.

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- B. Without Cause. This Agreement may be terminated by either party, at any time, without cause upon one hundred eighty (180) days advance written notice. Such notice shall state the effective date of the termination.
- C. Insufficient Funding. Pursuant to Section 18 of Article XVI of the California Constitution, COUNTY may terminate this Agreement in any fiscal year in which it is determined there is insufficient funding to continue the services provided for herein. COUNTY shall provide HTA fifteen (15) days advance written notice of its intent to terminate this Agreement due to insufficient funding.
- D. Termination for Insolvency. COUNTY may terminate this Agreement immediately upon receiving notice of any of the following:
  - 1. The appointment of a receiver to take possession of a substantial portion of HTA's assets.
  - 2. A general assignment by HTA for the benefit of creditors.
  - 3. Any action taken by, or against, HTA under any insolvency or bankruptcy act.
- E. Effect of Termination. Upon termination of this Agreement, the respective obligations of the parties shall cease and HTA shall return all COUNTY-owned vehicles, equipment and supplies used in the operation of the Tish Non Village Bus Transit System. All COUNTY-owned vehicles shall be returned in good operating condition with reasonable and normal wear and depreciation accepted.

5. COMPENSATION:

- A. Maximum Amount Payable. The maximum amount payable by COUNTY for services rendered, and expenses incurred, by HTA pursuant to the terms and conditions of this Agreement is Five Hundred Forty-Nine Thousand Seven Hundred Eighty-Seven Dollars (\$549,787.00). This fee shall be paid in the following installments:
  - 1. For the period of July 1, 2018 through June 30, 2019, COUNTY will pay HTA One Hundred Seventy-Seven Thousand Eight Hundred Seventy-Three Dollars (\$177,873.00) for the performance of the services set forth in this Agreement.
  - 2. For the period of July 1, 2019 through June 30, 2020, COUNTY will pay HTA One Hundred Eighty-Three Thousand Two Hundred Nine Dollars (\$183,209.00) for the performance of the services set forth in this Agreement.
  - 3. For the period of July 1, 2020 through June 30, 2021, COUNTY will pay HTA One Hundred Eighty-Eight Thousand Seven Hundred Five Dollars (\$188,705.00) for the performance of the services set forth in this Agreement.
- B. Overhead Allocation. HTA will adjust overhead allocation rates charged to COUNTY based on the addition or deletion of services provided or administered by HTA for other entities. Overhead allocation rates are included in the compensation amounts set forth herein.
- C. Source of Funds. COUNTY shall compensate HTA with monies from COUNTY's Transit Fund and federal grant funding. No other COUNTY funds shall be used to fund the administration, management or operation of the Tish Non Village Bus Transit System pursuant to the terms and conditions of this Agreement.

- D. Excess Funds. Any and all funds remaining at the end of either of the first two (2) years of this Agreement may be retained by HTA and used to assist with operating expenses for the following year. All funds remaining after the expiration of this Agreement shall be returned to COUNTY once the amount of such excess funds has been confirmed by the audit process set forth herein.
- E. Additional Compensation. HTA shall not be entitled to receive any additional compensation for increases in the cost of operating the Tish Non Village Bus Transit System prior to the approval of a written amendment to this Agreement by the Humboldt County Board of Supervisors. Should the Humboldt County Board of Supervisors not approve a request for additional compensation, HTA shall have the option of terminating this Agreement. Following notice of termination, HTA shall continue operation of the Tish Non Village Bus Transit System until COUNTY finds a replacement, provided COUNTY agrees to approve the requested additional compensation in the interim.

6. PAYMENT:

Compensation shall be paid to HTA by COUNTY on an annual basis, pursuant to the funding procedures set forth in the Transportation Development Act and the Federal Transit Act. COUNTY's obligation to provide funding is contingent upon submission of a Local Transportation Fund claim request, and receipt by COUNTY of sufficient state and/or federal funding.

7. NOTICES:

Any and all notices required to be given pursuant to the terms of this Agreement shall be in writing and served personally, or sent by certified mail, return receipt requested, to the respective addresses set forth below. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

COUNTY: Humboldt County Department of Public Works  
 Attention: Thomas K. Mattson, Public Works Director  
 1106 Second Street  
 Eureka, California 95501

HTA: Humboldt Transit Authority  
 Attention: Greg Pratt, General Manager  
 133 V Street  
 Eureka, California 95501

8. REPORTS:

- A. Preparation of Required Reports. HTA agrees to prepare, and provide COUNTY with, any and all reports which may be required by local, state or federal agencies for compliance with this Agreement. Reports shall be submitted no later than fifteen (15) days after the end of each calendar quarter using the format required by the State of California as appropriate. By February 1<sup>st</sup> of each year, HTA agrees to submit a report to COUNTY of its efforts or plans of seeking and applying for outside funding for operational and/or capital assistance for the covered fiscal year, to augment its revenue sources.
- B. Maintenance and Preservation of Reports. HTA shall maintain and preserve all reports related to the administration, management and operation of the Tish Non Village Bus Transit System for a period of at least three (3) years after the date of final payment hereunder, except that if



any litigation, claim, negotiation, audit exception or other action relating to this Agreement is pending at the end of the three (3) year period, the reports shall be retained until completion and resolution of all issues arising therefrom.

9. RECORD RETENTION AND INSPECTION:

- A. Maintenance and Preservation of Performance Records. HTA agrees to timely prepare accurate and complete records and accounts of all receipts and expenditures, evidence of indebtedness and credit and transactions relating to the administration, management and operation of the Tish Non Village Bus Transit System. HTA shall maintain and preserve said records for a period of at least three (3) years after the date of final payment hereunder, except that if any litigation, claim, negotiation, audit exception or other action relating to this Agreement is pending at the end of the three (3) year period, the records shall be retained until completion and resolution of all issues arising therefrom. Such records shall be original entry books with a general ledger itemizing all debits and credits related to the administration, management and operation of the Tish Non Village Bus Transit System.
- B. Inspection of Records. Pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of HTA, and its subcontractors, related to the administration, management and operation of the Tish Non Village Bus Transit System, shall be subject to the examination and audit of the California State Auditor, and any other duly authorized agents of the State of California, for a period of three (3) years after the date of final payment hereunder. HTA hereby agrees to make such records available during normal business hours to inspection, audit and reproduction by COUNTY and any other duly authorized local, state and and/or federal agencies. HTA further agrees to allow interviews of any of its employees who might reasonably have information related to such records by COUNTY and any other duly authorized local, state and/or federal agencies. All examination and audits conducted hereunder shall be strictly confined to those matters connected with the performance of this Agreement, including, without limitation, the costs associated with the administration, management and operation of the Tish Non Village Bus Transit System. HTA shall hold COUNTY harmless for any liability resulting from said audit.
- C. Independent Audits. HTA shall provide an independent audit by a certified public accountant on an annual basis. In the event of an audit exception or exceptions, the party responsible for not meeting the requirements set forth herein shall be responsible for the deficiency. If the allowable expenditures cannot be determined because HTA's documentation is nonexistent or inadequate, according to generally accepted accounting practices, the questionable cost shall be disallowed by COUNTY.

10. MONITORING:

HTA agrees that COUNTY has the right to monitor all activities related to this Agreement, including the right to review and monitor HTA's records, programs or procedures, at any time, as well as the overall administration, management and operation of the Tish Non Village Bus Transit System, in order to ensure compliance with the terms and conditions of this Agreement. HTA will cooperate with a corrective action plan, if deficiencies in HTA's records, programs or procedures are identified by COUNTY. However, COUNTY is not responsible, and will not be held accountable, for overseeing or evaluating the adequacy of HTA's performance hereunder. COUNTY shall not be permitted access to confidential HTA personnel information or other records that may be subject to non-disclosure pursuant to applicable local, state and federal laws, regulations and standards.

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11. CONFIDENTIAL INFORMATION:

- A. Disclosure of Confidential Information. In performance of this Agreement, HTA may receive information that is confidential under local, state or federal law. HTA hereby agrees to protect all confidential information in conformance with any and all applicable local, state and federal laws, regulations, policies, procedures and standards.
- B. Continuing Compliance with Confidentiality Laws. The parties acknowledge that local, state and federal laws, regulations and standards pertaining to confidentiality, electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to ensure compliance with such developments. Each party agrees to promptly enter into negotiations concerning an amendment to this Agreement embodying written assurances consistent with any and all applicable local, state and federal laws, regulations or standards.

12. NON-DISCRIMINATION COMPLIANCE:

- A. Professional Services and Employment. In connection with the execution of this Agreement, HTA shall not discriminate in the provision of professional services or against any employee, or applicant for employment, on the basis of race, religion or religious creed, color, age (over forty (40) years of age), sex (including gender identity and expression, pregnancy, childbirth and related medical conditions), sexual orientation (including heterosexuality, homosexuality and bisexuality), national origin, ancestry, marital status, medical condition (including cancer, genetic characteristics, HIV status and AIDS), physical or mental disability (including use of family care leave), political affiliation, military service or any other classifications protected by local, state and federal laws and regulations. Nothing herein shall be construed to require employment of unqualified persons.
- B. Compliance with Anti-Discrimination Laws. HTA further assures that it will abide by the provisions of: Title VI and Title VII of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975; Title II of the Americans with Disabilities Act of 1990; the California Fair Employment and Housing Act; California Civil Code Sections 51, et seq.; California Government Code Sections 4450, et seq.; California Welfare and Institutions Code Section 10000; Division 21 of the California Department of Social Services Manual of Policies and Procedures; United States Executive Order 11246, as amended and supplemented by United States Executive Order 11375 and Part 60 of Title 41 of the Code of Federal Regulations; and any other applicable local, state and federal laws and regulations, all as may be amended from time to time. The applicable regulations of the California Fair Employment and Housing Commission implementing California Government Code Section 12990, set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

13. NUCLEAR FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

By executing this Agreement, HTA certifies that it is not a Nuclear Weapons Contractor, in that HTA is not knowingly or intentionally engaged in the research, development, production or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. HTA agrees to notify COUNTY immediately if it becomes a Nuclear Weapons Contractor, as defined above. COUNTY may immediately terminate this Agreement if it determines that the foregoing certification is false or if HTA subsequently becomes a Nuclear Weapons Contractor.



14. INDEMNIFICATION:

- A. Hold Harmless, Defense and Indemnification. HTA shall, to the fullest extent permitted by law, indemnify, defend and hold harmless COUNTY and its agents, officers, officials, employees and volunteers from and against any and all claims, liabilities, expenses, liens, or damages of any kind or nature, including, without limitation, liability for personal injury, property damage and reasonable attorneys' fees and other costs of litigation ("Claim"), that arise out of, or in connection with, HTA's performance of, or failure to comply with, any of the obligations contained herein, except any such loss or damage which was caused by the sole negligence or willful misconduct of COUNTY.
- B. Immediate Duty. HTA's duty to indemnify, defend and hold harmless COUNTY arises immediately at the time that any Claim is alleged against COUNTY, whether or not such Claim includes allegations of negligence (active or passive) or willful misconduct by COUNTY, and whether or not such Claim is groundless, false or fraudulent. Said duty continues until a court of competent jurisdiction determines with finality that the Claim did not arise out of, or in connection with, HTA's performance of, or failure to comply with, any of the obligations contained herein, and/or that the Claim was entirely caused by the sole negligence or willful misconduct of COUNTY.
- C. Effect of Insurance. Acceptance of the insurance required by this Agreement shall not relieve HTA from liability under this provision. This provision shall apply to all claims for damages related to HTA's performance hereunder, regardless of whether any insurance is applicable or not. The Insurance policy limits set forth herein shall not act as a limitation upon the amount of indemnification or defense to be provided by HTA hereunder.

15. INSURANCE REQUIREMENTS:

This Agreement shall not be executed by COUNTY, and HTA is not entitled to any rights hereunder, unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, are filed with the Clerk of the Humboldt County Board of Supervisors.

- A. General Insurance Requirements. Without limiting HTA's indemnification obligations provided for herein, HTA shall, and shall require that all subcontractors hereunder, take out and maintain, throughout the period of this Agreement and any extended term thereof, the following policies of insurance placed with insurers authorized to do business in the State of California and with a current A.M. Bests rating of no less than A:VII or its equivalent against personal injury, death and property damage which may arise from, or in connection with, the activities hereunder of HTA and its agents, officers, directors, employees, licensees, invitees, assignees or subcontractors:
  - 1. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability Coverage (occurrence form CG 0001), in an amount of Two Million Dollars (\$2,000,000.00) per occurrence for any one (1) incident, including, but not limited to, personal injury, death and property damage. If a general aggregate limit is used, such limit shall apply separately hereto or shall be twice the required occurrence limit.
  - 2. Automobile/Motor Liability Insurance with a limit of liability not less than One Million Dollars (\$1,000,000.00) combined single limit coverage. Such insurance shall include coverage of all owned, hired and non-owned vehicles. Said coverage shall be at least as broad as Insurance Services Office Form Code 1 (any auto).



3. Workers' Compensation Insurance, as required by the California Labor Code, with statutory limits and Employers Liability Insurance with a limit of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. Said policy shall contain, or be endorsed to contain, a waiver of subrogation against COUNTY or its agents, officers, officials, employees and volunteers.

B. Special Insurance Requirements. Said policies shall, unless otherwise specified herein, be endorsed with the following provisions:

1. The Comprehensive or Commercial General Liability Policy shall provide that COUNTY and its agents, officers, officials, employees and volunteers are covered as additional insured for liability arising out of the operations performed by, or on behalf of, HTA. The coverage shall contain no special limitations on the scope of protection afforded to COUNTY or its agents, officers, officials, employees and volunteers. Said policy shall also contain a provision stating that such coverage:
  - a. Includes contractual liability.
  - b. Does not contain exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to as "XCU Hazards."
  - c. Is the primary insurance with regard to COUNTY.
  - d. Does not contain a pro-rata, excess only and/or escape clause.
  - e. Contains a cross liability, severability of interest or separation of insureds clause.
2. The above-referenced policies shall not be canceled, non-renewed or materially reduced in coverage, without thirty (30) days prior written notice, or ten (10) days prior written notice for non-payment of the premium, being provided to COUNTY in accordance with the notice provisions set forth herein. It is further understood that HTA shall not terminate such coverage until COUNTY receives adequate proof that equal or better insurance has been secured.
3. The inclusion of more than one (1) insured shall not operate to impair the rights of one (1) insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one (1) insured shall not operate to increase the limits of the insurer's liability.
4. For claims related to this Agreement, HTA's insurance is the primary coverage to COUNTY, and any insurance or self-insurance programs maintained thereby are excess to HTA's insurance and will not be used to contribute therewith.
5. Any failure to comply with the provisions of this Agreement shall not affect coverage provided to COUNTY or its agents, officers, officials, employees and volunteers.
6. HTA shall furnish COUNTY with certificates and original endorsements effecting the required coverage prior to execution of this Agreement. The endorsements shall be on forms approved by the Humboldt County Risk Manager or County Counsel. Any deductible or self-insured retention over One Hundred Thousand Dollars (\$100,000.00) shall be disclosed to, and approved by, COUNTY. If HTA does not keep all required



policies in full force and effect, COUNTY shall notify HTA in writing and HTA shall have thirty (30) days from the date of written notification to cure such lapse to COUNTY's reasonable satisfaction. If HTA does not cure such lapse, COUNTY may, in addition to any other available remedies, take out the necessary insurance and deduct the cost of said insurance from the monies owed to HTA under this Agreement.

7. COUNTY is to be notified immediately if twenty-five percent (25%) or more of any required insurance aggregate limit is encumbered, and HTA shall be required to purchase additional coverage to meet the above aggregate limits.

C. Insurance Notices. Any and all insurance notices required to be given pursuant to the terms of this Agreement shall be sent to the addresses set forth below in accordance with the notice provisions described herein.

COUNTY: County of Humboldt  
Attention: Risk Management  
825 Fifth Street, Room 131  
Eureka, California 95501

AND

Humboldt County Department of Public Works  
Attention: Thomas K. Mattson, Public Works Director  
1106 Second Street  
Eureka, California 95501

HTA: Humboldt Transit Authority  
Attention: Greg Pratt, General Manager  
133 V Street  
Eureka, California 95501

16. RELATIONSHIP OF PARTIES:

It is understood that this Agreement is by and between two (2) independent public agencies and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or any other similar association. COUNTY shall not exercise discretion or control over the professional manner in which HTA performs the services required hereunder. The sole interest of COUNTY is to ensure that the services required under this Agreement are performed in a competent, efficient and satisfactory manner. HTA shall be fully responsible for payment of all applicable taxes due to the State of California or the federal government. COUNTY shall not be liable for deductions, of any amount for any purpose, from HTA's compensation. Both parties further agree that HTA employees shall not be entitled to any benefits to which COUNTY employees are entitled, including, but not limited to, overtime, retirement benefits, leave benefits or workers' compensation.

17. COMPLIANCE WITH LAWS:

HTA agrees to comply with any and all local, state and federal laws, regulations and standards applicable to the administration, management and operation of the Tish Non Village Bus Transit System. HTA further agrees to comply with any and all applicable local, state and federal licensure and certification requirements.

18. PROVISIONS REQUIRED BY LAW:

This Agreement is subject to any additional local, state and federal restrictions, limitations or conditions that may affect the provisions, terms or funding of this Agreement. This Agreement shall be read and enforced as though all legally required provisions are included herein, and if for any reason any such provision is not included, or is not correctly stated, the parties agree to amend the pertinent section to make such insertion or correction.

19. REFERENCE TO LAWS AND RULES:

In the event any law, regulation or standard referred to in this Agreement is amended during the term hereof, the parties agree to comply with the amended provision as of the effective date thereof.

20. SEVERABILITY:

If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

21. ASSIGNMENT:

HTA shall not delegate its duties or assign its rights hereunder, either in whole or in part, without COUNTY's prior written consent. Any assignment by HTA in violation of this provision shall be void, and shall be cause for immediate termination of this Agreement. This provision shall not be applicable to service agreements or other arrangements usually or customarily entered into by HTA to obtain supplies, technical support or professional services.

22. AGREEMENT SHALL BIND SUCCESSORS:

All provisions of this Agreement shall be fully binding upon, and shall inure to the benefit of, the parties and to each of their heirs, executors, administrators, successors and permitted assigns.

23. NO WAIVER OF DEFAULT:

The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement. In no event shall any payment by COUNTY constitute a waiver of any breach of this Agreement or any default which may then exist on the part of HTA. Nor shall such payment impair or prejudice any remedy available to COUNTY with respect to any breach or default. COUNTY shall have the right to demand repayment of, and HTA shall promptly refund, any funds disbursed to HTA, which COUNTY determines were not expended in accordance with the terms of this Agreement.

24. NON-LIABILITY OF COUNTY OFFICIALS AND EMPLOYEES:

No official or employee of COUNTY shall be personally liable for any default or liability under this Agreement.

25. STANDARD OF PRACTICE:

HTA warrants that it has the capacity and qualifications necessary to administer, manage and operate the Tish Non Village Bus Transit System. It is hereby understood that COUNTY's



acceptance of the services performed pursuant to the terms and conditions of this Agreement shall not operate as a waiver or release of any breach of this Agreement.

26. AMENDMENT:

This Agreement may be amended at any time during the term of this Agreement upon the mutual consent of both parties. No addition to, or alteration of, the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

27. TITLE TO INFORMATION AND DOCUMENTS:

It is understood that any and all documents, information and reports concerning the subject matter of this Agreement prepared and/or submitted by HTA shall become the property of COUNTY. However, HTA may retain copies of such documents and information for its records. In the event this Agreement is terminated, for any reason whatsoever, HTA shall promptly turn over all such documents, information and reports to COUNTY without exception or reservation.

28. MEDIA RELEASE:

All informational material related to this Agreement shall receive approval from COUNTY prior to being used as advertising or released to the media, including, but not limited to, television, radio, newspapers and internet. HTA shall inform COUNTY of all requests for interviews by media related to this Agreement before such interviews take place; and COUNTY shall be entitled to have a representative present at such interviews. All notices required by this provision shall be given to the Humboldt County Administrative Officer.

29. SUBCONTRACTS:

HTA shall obtain prior written approval from COUNTY before subcontracting any of the services to be provided pursuant to the terms and conditions of this Agreement. Any and all subcontracts will be subject to all applicable provisions of this Agreement, including, without limitation, the licensing, certification and confidentiality requirements set forth herein. HTA shall remain legally responsible for the performance of all terms and conditions of this Agreement, including work performed by third parties under subcontracts, whether approved by COUNTY or not.

30. JURISDICTION AND VENUE:

This Agreement shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder, or relating hereto, shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to California Code of Civil Procedure Sections 394 or 395.

31. SURVIVAL:

The duties and obligations of the parties set forth in Section 8 – Reports, Section 9 – Record Retention and Inspection, Section 11 – Confidential Information and Section 14 – Indemnification shall survive the expiration or termination of this Agreement.

32. FORCE MAJEURE:

- A. Inability to Perform. Neither party hereto shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control, and without the fault or

negligence, of such party. Such events shall include, without limitation, acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism or other disaster, whether or not similar the foregoing. The party claiming excuse of performance hereunder shall, within five (5) days after the occurrence of any such cause or causes, present to the other party written notice of the facts constituting such cause and claiming excuse of performance hereunder.

B. Effect. In the event HTA is excused from performing its obligations hereunder for any of the aforesaid reasons, COUNTY may, at COUNTY's absolute discretion, perform all such obligations itself without liability to HTA therefore. Further, and notwithstanding the termination provisions set forth herein, COUNTY may terminate this Agreement at any time during such a period of non-performance by providing HTA written notice of not less than seven (7) days prior to the effective date of such termination.

33. CONFLICTING TERMS OR CONDITIONS:

In the event of any conflict in the terms or conditions set forth in any other agreements in place between the parties hereto and the terms and conditions set forth in this Agreement, the terms and conditions set forth herein shall have priority.

34. INTERPRETATION:

This Agreement, as well as its individual provisions, shall be deemed to have been prepared equally by both of the parties hereto, and shall not be construed or interpreted more favorably for one (1) party on the basis that the other party prepared it.

35. INDEPENDENT CONSTRUCTION:

The titles of the sections, subsections, and paragraphs set forth in this Agreement are inserted for convenience of reference only, and shall be disregarded in construing or interpreting any of the provisions of this Agreement.

36. ENTIRE AGREEMENT:

This Agreement contains all of the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto. In addition, this Agreement shall supersede in their entirety any and all prior agreements, promises, representations, understandings and negotiations of the parties, whether oral or written, concerning the same subject matter. HTA shall be entitled to no other benefits other than those specified herein. HTA specifically acknowledges that in entering into and executing this Agreement, HTA relies solely upon the provisions contained in this Agreement and no others. Any and all acts which may have already been consummated pursuant to the terms and conditions of this Agreement are hereby ratified.

37. AUTHORITY TO EXECUTE:

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations hereunder have been duly authorized.

[Signatures on Following Page]



IN WITNESS WHEREOF, the parties have entered into this Agreement as of the first date written above.

**HUMBOLDT TRANSIT AUTHORITY:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Nancy Diamond, General Counsel

**COUNTY OF HUMBOLDT:**

By: 

Date: 6/26/18

Ryan Sundberg  
Chair, Humboldt County Board of Supervisors

**INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:**

By: 

Date: 6/22/18

Risk Management

**LIST OF EXHIBITS:**

Exhibit A – Deviated Fixed Rates

**EXHIBIT A**  
**DEVIATED FIXED RATES**  
Humboldt Transit Authority  
For Fiscal Years 2018-2019 Through 2020-2021

A. DEVIATED FIXED ROUTE:

1. The service area is for the Tish Non Bus Transit System is between College of the Redwoods and Fortuna with several bus stops in-between.
2. The bus will operate on a regular schedule from Monday to Friday.
3. Door-to-door bus service will be offered to the general public only by reservation 24-hours in advance of planned trip up to  $\frac{3}{4}$  of a mile deviation off of the fixed route
4. Cash Fares:
  - 4.1 Regular: \$3.50
  - 4.2 Reduced: \$3.15
  - 4.3 There will be a \$5.00 surcharge for door-to-door service in the addition to the regular fare.
5. Transit Pass Fares:
  - 5.1 Regular \$2.10
  - 5.2 Reduced: \$1.80
  - 5.3 \$10 Transit Pass
  - 5.4 \$20 Transit Pass
6. Unlimited Rides Day Pass
  - 6.1 Day Pass \$5.25
7. Unlimited Week Pass
  - 7.1 Regular \$16.00
  - 7.2 Reduced \$14.00
8. Unlimited Rides Month Pass
  - 8.1 Regular \$562.00
  - 8.2 Reduced \$57.00



**AGREEMENT FOR OPERATION OF THE WILLOW CREEK BUS TRANSIT SYSTEM  
BY AND BETWEEN  
COUNTY OF HUMBOLDT  
AND  
HUMBOLDT TRANSIT AUTHORITY  
FOR FISCAL YEARS 2018-2019 THROUGH 2020-2021**

This Agreement, entered into this 26<sup>th</sup> day of June, 2018, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Humboldt Transit Authority, a joint powers public entity of the State of California, hereinafter referred to as "HTA," is made upon the following considerations:

WHEREAS, COUNTY desires to provide useful and economical bus service to the citizens of Humboldt County; and

WHEREAS, HTA is qualified and has the capacity to administer and manage the operation of the bus transit system located in the Willow Creek area of Humboldt County ("Willow Creek Bus Transit System"); and

WHEREAS, the operation of the Willow Creek Bus Transit System shall be controlled by COUNTY in that COUNTY shall establish or approve any and all policies under which said system operates; and

WHEREAS, nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between COUNTY and HTA.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and obligations contained herein, the parties hereto agree as follows:

1. RIGHTS AND OBLIGATIONS OF HTA:

- A. Operation and Management Services. HTA hereby agrees to manage the operation of the Willow Creek Bus Transit System. HTA's management responsibilities shall include, without limitation:
1. Providing a sufficient number of qualified personnel, as determined in HTA's discretion.
  2. Providing such equipment, office and garage space and employee facilities as determined necessary by HTA for adequate operation of the Willow Creek Bus Transit System consistent with Exhibit A – Willow Creek Bus Transit System Routes ("Exhibit A"), which is attached hereto and incorporated herein by reference.
  3. Compliance with all local, state and federal laws, regulations, ordinances and requirements, including, but not limited to, obtaining and maintaining all necessary licenses and permits for operation of the Willow Creek Bus Transit System.
  4. Compliance with all local, state and federal funding requirements, including, but not limited to, Section 5311 of Title 49 of the United States Code ("U.S.C.") and Section 6633.2 of Title 21 of the California Code of Regulations.
  5. Compliance with any and all applicable provisions of 49 U.S.C. Section 5311(f) – Certifications and Assurances for Operating Assistance Projects.

B. Transportation Services. HTA shall provide public bus transportation over routes and schedules of service and times which will best meet the needs of the residents of the Willow Creek area of Humboldt County in accordance with Exhibit A. As part of providing such transportation services, HTA shall, and within the exercise of HTA's sole discretion:

1. Procure sufficient numbers and types of vehicles to adequately operate the Willow Creek Bus Transit System consistent with Exhibit A by applying for and using appropriate federal and state grant funds.
2. Determine bus route schedules for service levels specified in Exhibit A.
3. Make short-term changes in fares, routes, services and/or transfer privileges to address unplanned emergency events.
4. Make minor changes in fares, routes, services and/or transfer privileges that do not cause either an increase of ten percent (10%) or more, or a decrease of twenty percent (20%) or more, in total fare box revenue within the Willow Creek Bus Transit System, as computed from the fares specified in Exhibit A.
5. When deemed appropriate, submit for COUNTY's consideration and written approval of any substantial changes in fares, routes, services and/or transfer privileges. COUNTY shall be given no less than fifteen (15) days written notice of all such proposals.
6. Promote the Willow Creek Bus Transit System and print tickets, schedules and brochures.
7. HTA shall have the exclusive right to place advertising on the exterior and interior of vehicles used in the Willow Creek Bus Transit System. HTA shall be entitled to all revenue derived from such advertising.

C. Maintenance Services. HTA shall service and maintain all vehicles used in the operation of the Willow Creek Bus Transit System and shall at all times keep the vehicles in a clean and well-ordered condition. As part of such maintenance services, HTA shall:

1. Comply with all maintenance requirements as specified by the manufacturer and the California Highway Patrol.
2. Provide for, and bear the cost associated with, the maintenance of vehicles used in the Willow Creek bus Transit System, including, without limitation, periodic lubrication, exterior and interior cleaning, providing fuel, tires, oil and other maintenance.
3. Keep any and all maintenance records as deemed appropriate by COUNTY. Such records shall include, without limitation, records of all maintenance and checks performed on vehicles used in the Willow Creek Bus Transit System, organized according to date, mileage and engine hours. HTA shall also maintain records showing total maintenance costs, labor time, operating costs and "out of service" periods for each vehicle used in the Willow Creek Bus Transit System.

D. Repairs to Transit Vehicles. Repairs to vehicles used in the Willow Creek Bus System will be paid for by HTA; provided, however, that if such repair costs exceed One Thousand Dollars (\$1,000.00), HTA will pay the first One Thousand Dollars (\$1,000.00), and COUNTY will pay the portion in excess thereof. All repairs in excess of One Thousand Dollars (\$1,000.00) shall



be approved in advance by COUNTY. Repairs covered under this provision include, but are not limited to, those necessitated by collision and other non-scheduled repairs which are not part of a regular maintenance schedule. HTA shall pay the full cost of any and all repairs necessitated by faulty maintenance performed by HTA. All repair costs borne by HTA are included in the compensation specified herein, and HTA is not entitled to any payments for repairs exceeding such amounts.

E. Personnel. HTA shall at all times provide sufficient personnel, as determined by HTA in HTA's sole discretion, to render the public transportation services provided for herein. HTA's staffing responsibilities shall include, without limitation:

1. Hiring, supervising, compensating and discharging all personnel involved in the operation of the Willow Creek Bus Transit System.
2. Ensuring that all bus operators providing services hereunder meet all applicable local, state and federal requirements for operation of transit vehicles, including possession of a valid Class B vehicle operator's license issued by the State of California.
3. Ensuring that all personnel providing services hereunder conduct themselves in a courteous, efficient and professional manner.
4. Paying all local, state and federal employment taxes and any other benefits or compensation due to personnel providing services hereunder, including, but not limited to, workers' compensation insurance.

F. Accounting for Fares. HTA will remove locked cash vaults from Willow Creek Bus Transit System vehicles on a daily basis and count and record the contents of each vault. The fares collected in said vaults will be credited to the Willow Creek Transit System on a monthly basis. HTA shall prepare, and submit to COUNTY on a quarterly basis, collection reports which set forth the route for each operating day of each month following the schedule below:

1. July to September report is due by December 31.
2. October to December report is due by March 31.
3. January to March report is due by June 30.
4. April to June report is due by September 30.

G. Operations Data. HTA shall establish, maintain and submit to COUNTY a record for each bus transit system route covered by this Agreement which contains all of the information specified below. HTA shall submit to COUNTY the following information in a six (6) month report by March 31<sup>st</sup> and annual report by September 30<sup>th</sup> for each year of this Agreement that also includes a statement of revenue and expenses (actual vs. budgeted), balance sheet, analysis of change in retained earnings, statement of sources and application of funds:

1. Fare revenue report for each route (to be tabulated on a daily basis).
2. Total ridership by route, day, trip, number and fare category, including transfers.
3. Vehicle revenue service hours by route, day and vehicle.

4. Vehicle revenue service miles by route, day and vehicle.
5. Service breaks summary of breakdowns, road calls, missed trips and delays over thirty (30) minutes by trip number.
6. Complaints, compliments and service requests refused.
7. Vehicle and passenger accidents.
8. Vault count summary by route, day and vault number.
9. Other data which is reasonably necessary for COUNTY to evaluate service efficiency and effectiveness of COUNTY's bus transit system.

H. Business Office. HTA shall maintain a local office and listed telephone under the name Humboldt Transit Authority. The office shall remain open from 8:00 a.m. to 4:30 p.m. (closed for lunch between 12:00 p.m. and 1:00 p.m.), Monday through Friday, except holidays. The Willow Creek Transit System office and associated facilities shall be located within the City limits of Eureka, California.

I. Representative on Committees. HTA shall act as a representative for COUNTY on the following committees: Humboldt County Association of Governments Technical Advisory Committee; Social Services Technical Advisory Committee; and Services Coordination Committee.

J. Transportation Development Plan. Beginning on July 1, 2018, HTA shall secure grant funding, and thereafter solicit consulting services, by sending out Requests for Proposals to qualified consulting firms, for the preparation of a Transportation Development Plan for the Willow Creek Bus Transit System.

K. Grant Applications. HTA shall prepare all state and federal applications for grant funds for capital procurement and operating assistance for the Willow Creek Bus Transit System.

## 2. RIGHTS AND OBLIGATIONS OF COUNTY:

A. Provision of Funds for Transit Vehicles. In the event that HTA is unable to obtain state or federal grant funding to procure a sufficient number of buses to adequately and appropriately operate and manage the Willow Creek Bus Transit System consistent with Exhibit A, as determined sufficient by HTA, COUNTY shall, provide funding to HTA to allow HTA to procure transit vehicles for the operation of the Willow Creek Bus Transit System. Alternatively, the County may initiate a change to Exhibit A, which may also require a renegotiation of compensation to HTA.

B. Service Changes. COUNTY hereby reserves the right to make substantial changes to the Willow Creek Bus Transit System policies set out in Exhibit A, and shall consider all HTA proposals for substantial changes to Exhibit A, in accordance with the following:

1. Any proposed change to Exhibit A shall be deemed a "substantial change" if such change results in any one (1) or more of the following conditions:
  - a. An increase of ten percent (10%) or more in total fare box revenue, as computed from the fares specified in Exhibit A.



- b. A decrease of twenty percent (20%) or more in total fare box revenue, as computed from the fares specified in Exhibit A.
- c. The addition or deletion of an entire route.

2. Any substantial change to Exhibit A, as defined above, shall require the amount of compensation provided for in this Agreement to be adjusted, through a duly executed written amendment, to compensate for any increase or decrease in the cost to HTA.

C. Enforcement of Exhibit A. HTA agrees that adherence to a schedule of operations in rendering the public transportation services consistent with Exhibit A is of primary importance. In the event that service consistent with Exhibit A is not provided by HTA, no payment will be made by COUNTY for any services not provided, except as otherwise permitted hereunder. HTA's continued failure to provide services consistent with Exhibit A, except as otherwise permitted hereunder, shall be grounds for termination of this Agreement.

D. Bus Stops. COUNTY shall install bus stops and shelters as COUNTY shall deem necessary for the operation of service on all routes within the Willow Creek Bus Transit System. Stops shall be marked by painted curbs, signs, or other means of identification as COUNTY shall determine. All such identifications shall be of adequate length to permit COUNTY-owned transit vehicles to stop parallel to the curb.

E. Grant Applications. COUNTY shall provide all necessary resolutions of the Humboldt County Board of Supervisors, and shall publish all public notices, required for the submission of applications for state and/or federal grant funding for capital procurement and operating assistance for the Willow Creek Bus Transit System, as requested by HTA. COUNTY shall also provide any information or data which is necessary for the submission of such state and/or federal grant applications. COUNTY shall designate an authorized agent to execute any state and/or federal grant agreements if required.

3. TERM:

The term of this Agreement shall begin on July 1, 2018, and shall remain in full force and effect until June 30, 2021, unless sooner terminated as provided herein.

4. TERMINATION:

A. Breach of Contract. Either party may terminate this Agreement, in whole or in part, in the event that the other party fails to comply with the terms or conditions of this Agreement, or violates any ordinance, regulation or other law applicable to its performance hereunder, and such default or violation continues un-remedied for a period of thirty (30) days following written notice thereof. Any and all notices of default shall be provided to the breaching party, in accordance with the notice provisions set forth herein, within ten (10) days of the date in which the non-breaching party becomes aware, or reasonably should have become aware, of such default. In the event that any breach of the maintenance requirements set forth herein continues un-remedied for a period of ten (10) days following written notice thereof, COUNTY reserves the right to remedy the maintenance deficiencies and charge HTA the cost of said remedy. In the event that either party disputes whether a violation of this Agreement has occurred, or whether a breach of this Agreement has been adequately remedied, the parties shall discuss and attempt to resolve such dispute prior to termination of this Agreement.

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- B. Without Cause. This Agreement may be terminated by either party, at any time, without cause upon one hundred eighty (180) days advance written notice. Such notice shall state the effective date of the termination.
- C. Insufficient Funding. Pursuant to Section 18 of Article XVI of the California Constitution, COUNTY may terminate this Agreement in any fiscal year in which it is determined there is insufficient funding to continue the services provided for herein. COUNTY shall provide HTA fifteen (15) days advance written notice of its intent to terminate this Agreement due to insufficient funding.
- D. Termination for Insolvency. COUNTY may terminate this Agreement immediately upon receiving notice of any of the following:
  - 1. The appointment of a receiver to take possession of a substantial portion of HTA's assets.
  - 2. A general assignment by HTA for the benefit of creditors.
  - 3. Any action taken by, or against, HTA under any insolvency or bankruptcy act.
- E. Effect of Termination. Upon termination of this Agreement, the respective obligations of the parties shall cease and HTA shall return all COUNTY-owned vehicles, equipment and supplies used in the operation of the Willow Creek Bus Transit System. All COUNTY-owned vehicles shall be returned in good operating condition with reasonable and normal wear and depreciation accepted.

5. COMPENSATION:

- A. Maximum Amount Payable. The maximum amount payable by COUNTY for services rendered, and expenses incurred, by HTA pursuant to the terms and conditions of this Agreement is Eight Hundred Eighteen Thousand Five Hundred Seventy-One Dollars (\$818,201.00). This fee shall be paid in the following installments:
  - 1. For the period of July 1, 2018 through June 30, 2019, COUNTY will pay HTA Two Hundred Sixty-Seven Thousand Three Hundred Fifty-One Dollars (\$267,351.00) for the performance of the services set forth in this Agreement.
  - 2. For the period of July 1, 2019 through June 30, 2020, COUNTY will pay HTA Two Hundred Seventy-Two Thousand Six Hundred Ninety-Eight Dollars (\$272,698.00) for the performance of the services set forth in this Agreement.
  - 3. For the period of July1, 2020 through June 30, 2021, COUNTY will pay HTA Two Hundred Seventy-Eight Thousand One Hundred Fifty-Two Dollars (\$278,152.00) for the performance of the services set forth in this Agreement.
- B. Overhead Allocation. HTA will adjust overhead allocation rates charged to COUNTY based on the addition or deletion of services provided or administered by HTA for other entities. Overhead allocation rates are included in the compensation amounts set forth herein.
- C. Source of Funds. COUNTY shall compensate HTA with monies from COUNTY's Transit Fund and federal grant funding. No other COUNTY funds shall be used to fund the administration, management or operation of the Willow Creek Bus Transit System pursuant to the terms and conditions of this Agreement.



- D. Excess Funds. Any and all funds remaining at the end of either of the first two (2) years of this Agreement may be retained by HTA and used to assist with operating expenses for the following year. All funds remaining after the expiration of this Agreement shall be returned to COUNTY once the amount of such excess funds has been confirmed by the audit process set forth herein.
- E. Additional Compensation. HTA shall not be entitled to receive any additional compensation for increases in the cost of operating the Willow Creek Bus Transit System prior to the approval of a written amendment to this Agreement by the Humboldt County Board of Supervisors. Should the Humboldt County Board of Supervisors not approve a request for additional compensation, HTA shall have the option of terminating this Agreement. Following notice of termination, HTA shall continue operation of the Willow Creek Bus Transit System until COUNTY finds a replacement, provided COUNTY agrees to approve the requested additional compensation in the interim.

6. PAYMENT:

Compensation shall be paid to HTA by COUNTY on an annual basis, pursuant to the funding procedures set forth in the Transportation Development Act and the Federal Transit Act. COUNTY's obligation to provide funding is contingent upon submission of a Local Transportation Fund claim request, and receipt by COUNTY of sufficient state and/or federal funding.

7. NOTICES:

Any and all notices required to be given pursuant to the terms of this Agreement shall be in writing and served personally, or sent by certified mail, return receipt requested, to the respective addresses set forth below. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

COUNTY: Humboldt County Department of Public Works  
 Attention: Thomas K. Mattson, Public Works Director  
 1106 Second Street  
 Eureka, California 95501

HTA: Humboldt Transit Authority  
 Attention: Greg Pratt, General Manager  
 133 V Street  
 Eureka, California 95501

8. REPORTS:

- A. Preparation of Required Reports. HTA agrees to prepare, and provide COUNTY with, any and all reports which may be required by local, state or federal agencies for compliance with this Agreement. Reports shall be submitted no later than fifteen (15) days after the end of each calendar quarter using the format required by the State of California as appropriate. By February 1<sup>st</sup> of each year, HTA agrees to submit a report to COUNTY of its efforts or plans of seeking and applying for outside funding for operational and/or capital assistance for the covered fiscal year, to augment its revenue sources.
- B. Maintenance and Preservation of Reports. HTA shall maintain and preserve all reports related to the administration, management and operation of the Willow Creek Bus Transit System for a period of at least three (3) years after the date of final payment hereunder, except that if any



litigation, claim, negotiation, audit exception or other action relating to this Agreement is pending at the end of the three (3) year period, the reports shall be retained until completion and resolution of all issues arising therefrom.

9. RECORD RETENTION AND INSPECTION:

- A. Maintenance and Preservation of Performance Records. HTA agrees to timely prepare accurate and complete records and accounts of all receipts and expenditures, evidence of indebtedness and credit and transactions relating to the administration, management and operation of the Willow Creek Bus Transit System. HTA shall maintain and preserve said records for a period of at least three (3) years after the date of final payment hereunder, except that if any litigation, claim, negotiation, audit exception or other action relating to this Agreement is pending at the end of the three (3) year period, the records shall be retained until completion and resolution of all issues arising therefrom. Such records shall be original entry books with a general ledger itemizing all debits and credits related to the administration, management and operation of the Willow Creek Bus Transit System.
- B. Inspection of Records. Pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of HTA, and its subcontractors, related to the administration, management and operation of the Willow Creek Bus Transit System, shall be subject to the examination and audit of the California State Auditor, and any other duly authorized agents of the State of California, for a period of three (3) years after the date of final payment hereunder. HTA hereby agrees to make such records available during normal business hours to inspection, audit and reproduction by COUNTY and any other duly authorized local, state and/or federal agencies. HTA further agrees to allow interviews of any of its employees who might reasonably have information related to such records by COUNTY and any other duly authorized local, state and/or federal agencies. All examination and audits conducted hereunder shall be strictly confined to those matters connected with the performance of this Agreement, including, without limitation, the costs associated with the administration, management and operation of the Willow Creek Bus Transit System. HTA shall hold COUNTY harmless for any liability resulting from said audit.
- C. Independent Audits. HTA shall provide an independent audit by a certified public accountant on an annual basis. In the event of an audit exception or exceptions, the party responsible for not meeting the requirements set forth herein shall be responsible for the deficiency. If the allowable expenditures cannot be determined because HTA's documentation is nonexistent or inadequate, according to generally accepted accounting practices, the questionable cost shall be disallowed by COUNTY.

10. MONITORING:

HTA agrees that COUNTY has the right to monitor all activities related to this Agreement, including the right to review and monitor HTA's records, programs or procedures, at any time, as well as the overall administration, management and operation of the Willow Creek Bus Transit System, in order to ensure compliance with the terms and conditions of this Agreement. HTA will cooperate with a corrective action plan, if deficiencies in HTA's records, programs or procedures are identified by COUNTY. However, COUNTY is not responsible, and will not be held accountable, for overseeing or evaluating the adequacy of HTA's performance hereunder. COUNTY shall not be permitted access to confidential HTA personnel information or other records that may be subject to non-disclosure pursuant to applicable local, state and federal laws, regulations and standards.

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11. CONFIDENTIAL INFORMATION:

- A. Disclosure of Confidential Information. In performance of this Agreement, HTA may receive information that is confidential under local, state or federal law. HTA hereby agrees to protect all confidential information in conformance with any and all applicable local, state and federal laws, regulations, policies, procedures and standards.
- B. Continuing Compliance with Confidentiality Laws. The parties acknowledge that local, state and federal laws, regulations and standards pertaining to confidentiality, electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to ensure compliance with such developments. Each party agrees to promptly enter into negotiations concerning an amendment to this Agreement embodying written assurances consistent with any and all applicable local, state and federal laws, regulations or standards.

12. NON-DISCRIMINATION COMPLIANCE:

- A. Professional Services and Employment. In connection with the execution of this Agreement, HTA shall not discriminate in the provision of professional services or against any employee, or applicant for employment, on the basis of race, religion or religious creed, color, age (over forty (40) years of age), sex (including gender identity and expression, pregnancy, childbirth and related medical conditions), sexual orientation (including heterosexuality, homosexuality and bisexuality), national origin, ancestry, marital status, medical condition (including cancer, genetic characteristics, HIV status and AIDS), physical or mental disability (including use of family care leave), political affiliation, military service or any other classifications protected by local, state and federal laws and regulations. Nothing herein shall be construed to require employment of unqualified persons.
- B. Compliance with Anti-Discrimination Laws. HTA further assures that it will abide by the provisions of: Title VI and Title VII of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975; Title II of the Americans with Disabilities Act of 1990; the California Fair Employment and Housing Act; California Civil Code Sections 51, et seq.; California Government Code Sections 4450, et seq.; California Welfare and Institutions Code Section 10000; Division 21 of the California Department of Social Services Manual of Policies and Procedures; United States Executive Order 11246, as amended and supplemented by United States Executive Order 11375 and Part 60 of Title 41 of the Code of Federal Regulations; and any other applicable local, state and federal laws and regulations, all as may be amended from time to time. The applicable regulations of the California Fair Employment and Housing Commission implementing California Government Code Section 12990, set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

13. NUCLEAR FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

By executing this Agreement, HTA certifies that it is not a Nuclear Weapons Contractor, in that HTA is not knowingly or intentionally engaged in the research, development, production or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. HTA agrees to notify COUNTY immediately if it becomes a Nuclear Weapons Contractor, as defined above. COUNTY may immediately terminate this Agreement if it determines that the foregoing certification is false or if HTA subsequently becomes a Nuclear Weapons Contractor.



14. INDEMNIFICATION:

- A. Hold Harmless, Defense and Indemnification. HTA shall, to the fullest extent permitted by law, indemnify, defend and hold harmless COUNTY and its agents, officers, officials, employees and volunteers from and against any and all claims, liabilities, expenses, liens, or damages of any kind or nature, including, without limitation, liability for personal injury, property damage and reasonable attorneys' fees and other costs of litigation ("Claim"), that arise out of, or in connection with, HTA's performance of, or failure to comply with, any of the obligations contained herein, except any such loss or damage which was caused by the sole negligence or willful misconduct of COUNTY.
- B. Immediate Duty. HTA's duty to indemnify, defend and hold harmless COUNTY arises immediately at the time that any Claim is alleged against COUNTY, whether or not such Claim includes allegations of negligence (active or passive) or willful misconduct by COUNTY, and whether or not such Claim is groundless, false or fraudulent. Said duty continues until a court of competent jurisdiction determines with finality that the Claim did not arise out of, or in connection with, HTA's performance of, or failure to comply with, any of the obligations contained herein, and/or that the Claim was entirely caused by the sole negligence or willful misconduct of COUNTY.
- C. Effect of Insurance. Acceptance of the insurance required by this Agreement shall not relieve HTA from liability under this provision. This provision shall apply to all claims for damages related to HTA's performance hereunder, regardless of whether any insurance is applicable or not. The Insurance policy limits set forth herein shall not act as a limitation upon the amount of indemnification or defense to be provided by HTA hereunder.

15. INSURANCE REQUIREMENTS:

This Agreement shall not be executed by COUNTY, and HTA is not entitled to any rights hereunder, unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, are filed with the Clerk of the Humboldt County Board of Supervisors.

- A. General Insurance Requirements. Without limiting HTA's indemnification obligations provided for herein, HTA shall, and shall require that all subcontractors hereunder, take out and maintain, throughout the period of this Agreement and any extended term thereof, the following policies of insurance placed with insurers authorized to do business in the State of California and with a current A.M. Bests rating of no less than A:VII or its equivalent against personal injury, death and property damage which may arise from, or in connection with, the activities hereunder of HTA and its agents, officers, directors, employees, licensees, invitees, assignees or subcontractors:
  - 1. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability Coverage (occurrence form CG 0001), in an amount of Two Million Dollars (\$2,000,000.00) per occurrence for any one (1) incident, including, but not limited to, personal injury, death and property damage. If a general aggregate limit is used, such limit shall apply separately hereto or shall be twice the required occurrence limit.
  - 2. Automobile/Motor Liability Insurance with a limit of liability not less than One Million Dollars (\$1,000,000.00) combined single limit coverage. Such insurance shall include coverage of all owned, hired and non-owned vehicles. Said coverage shall be at least as broad as Insurance Services Office Form Code 1 (any auto).



3. Workers' Compensation Insurance, as required by the California Labor Code, with statutory limits and Employers Liability Insurance with a limit of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. Said policy shall contain, or be endorsed to contain, a waiver of subrogation against COUNTY or its agents, officers, officials, employees and volunteers.

B. Special Insurance Requirements. Said policies shall, unless otherwise specified herein, be endorsed with the following provisions:

1. The Comprehensive or Commercial General Liability Policy shall provide that COUNTY and its agents, officers, officials, employees and volunteers are covered as additional insured for liability arising out of the operations performed by, or on behalf of, HTA. The coverage shall contain no special limitations on the scope of protection afforded to COUNTY or its agents, officers, officials, employees and volunteers. Said policy shall also contain a provision stating that such coverage:
  - a. Includes contractual liability.
  - b. Does not contain exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to as "XCU Hazards."
  - c. Is the primary insurance with regard to COUNTY.
  - d. Does not contain a pro-rata, excess only and/or escape clause.
  - e. Contains a cross liability, severability of interest or separation of insureds clause.
2. The above-referenced policies shall not be canceled, non-renewed or materially reduced in coverage, without thirty (30) days prior written notice, or ten (10) days prior written notice for non-payment of the premium, being provided to COUNTY in accordance with the notice provisions set forth herein. It is further understood that HTA shall not terminate such coverage until COUNTY receives adequate proof that equal or better insurance has been secured.
3. The inclusion of more than one (1) insured shall not operate to impair the rights of one (1) insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one (1) insured shall not operate to increase the limits of the insurer's liability.
4. For claims related to this Agreement, HTA's insurance is the primary coverage to COUNTY, and any insurance or self-insurance programs maintained thereby are excess to HTA's insurance and will not be used to contribute therewith.
5. Any failure to comply with the provisions of this Agreement shall not affect coverage provided to COUNTY or its agents, officers, officials, employees and volunteers.
6. HTA shall furnish COUNTY with certificates and original endorsements effecting the required coverage prior to execution of this Agreement. The endorsements shall be on forms approved by the Humboldt County Risk Manager or County Counsel. Any deductible or self-insured retention over One Hundred Thousand Dollars (\$100,000.00) shall be disclosed to, and approved by, COUNTY. If HTA does not keep all required

policies in full force and effect, COUNTY shall notify HTA in writing and HTA shall have thirty (30) days from the date of written notification to cure such lapse to COUNTY's reasonable satisfaction. If HTA does not cure such lapse, COUNTY may, in addition to any other available remedies, take out the necessary insurance and deduct the cost of said insurance from the monies owed to HTA under this Agreement.

7. COUNTY is to be notified immediately if twenty-five percent (25%) or more of any required insurance aggregate limit is encumbered, and HTA shall be required to purchase additional coverage to meet the above aggregate limits.

- C. Insurance Notices. Any and all insurance notices required to be given pursuant to the terms of this Agreement shall be sent to the addresses set forth below in accordance with the notice provisions described herein.

COUNTY: County of Humboldt  
Attention: Risk Management  
825 Fifth Street, Room 131  
Eureka, California 95501

AND

Humboldt County Department of Public Works  
Attention: Thomas K. Mattson, Public Works Director  
1106 Second Street  
Eureka, California 95501

HTA: Humboldt Transit Authority  
Attention: Greg Pratt, General Manager  
133 V Street  
Eureka, California 95501

#### 16. RELATIONSHIP OF PARTIES:

It is understood that this Agreement is by and between two (2) independent public agencies and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or any other similar association. COUNTY shall not exercise discretion or control over the professional manner in which HTA performs the services required hereunder. The sole interest of COUNTY is to ensure that the services required under this Agreement are performed in a competent, efficient and satisfactory manner. HTA shall be fully responsible for payment of all applicable taxes due to the State of California or the federal government. COUNTY shall not be liable for deductions, of any amount for any purpose, from HTA's compensation. Both parties further agree that HTA employees shall not be entitled to any benefits to which COUNTY employees are entitled, including, but not limited to, overtime, retirement benefits, leave benefits or workers' compensation.

#### 17. COMPLIANCE WITH LAWS:

HTA agrees to comply with any and all local, state and federal laws, regulations and standards applicable to the administration, management and operation of the Willow Creek Bus Transit System. HTA further agrees to comply with any and all applicable local, state and federal licensure and certification requirements.



18. PROVISIONS REQUIRED BY LAW:

This Agreement is subject to any additional local, state and federal restrictions, limitations or conditions that may affect the provisions, terms or funding of this Agreement. This Agreement shall be read and enforced as though all legally required provisions are included herein, and if for any reason any such provision is not included, or is not correctly stated, the parties agree to amend the pertinent section to make such insertion or correction.

19. REFERENCE TO LAWS AND RULES:

In the event any law, regulation or standard referred to in this Agreement is amended during the term hereof, the parties agree to comply with the amended provision as of the effective date thereof.

20. SEVERABILITY:

If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

21. ASSIGNMENT:

HTA shall not delegate its duties or assign its rights hereunder, either in whole or in part, without COUNTY's prior written consent. Any assignment by HTA in violation of this provision shall be void, and shall be cause for immediate termination of this Agreement. This provision shall not be applicable to service agreements or other arrangements usually or customarily entered into by HTA to obtain supplies, technical support or professional services.

22. AGREEMENT SHALL BIND SUCCESSORS:

All provisions of this Agreement shall be fully binding upon, and shall inure to the benefit of, the parties and to each of their heirs, executors, administrators, successors and permitted assigns.

23. NO WAIVER OF DEFAULT:

The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement. In no event shall any payment by COUNTY constitute a waiver of any breach of this Agreement or any default which may then exist on the part of HTA. Nor shall such payment impair or prejudice any remedy available to COUNTY with respect to any breach or default. COUNTY shall have the right to demand repayment of, and HTA shall promptly refund, any funds disbursed to HTA, which COUNTY determines were not expended in accordance with the terms of this Agreement.

24. NON-LIABILITY OF COUNTY OFFICIALS AND EMPLOYEES:

No official or employee of COUNTY shall be personally liable for any default or liability under this Agreement.

25. STANDARD OF PRACTICE:

HTA warrants that it has the capacity and qualifications necessary to administer, manage and operate the Willow Creek Bus Transit System. It is hereby understood that COUNTY's acceptance of the

services performed pursuant to the terms and conditions of this Agreement shall not operate as a waiver or release of any breach of this Agreement.

26. AMENDMENT:

This Agreement may be amended at any time during the term of this Agreement upon the mutual consent of both parties. No addition to, or alteration of, the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

27. TITLE TO INFORMATION AND DOCUMENTS:

It is understood that any and all documents, information and reports concerning the subject matter of this Agreement prepared and/or submitted by HTA shall become the property of COUNTY. However, HTA may retain copies of such documents and information for its records. In the event this Agreement is terminated, for any reason whatsoever, HTA shall promptly turn over all such documents, information and reports to COUNTY without exception or reservation.

28. MEDIA RELEASE:

All informational material related to this Agreement shall receive approval from COUNTY prior to being used as advertising or released to the media, including, but not limited to, television, radio, newspapers and internet. HTA shall inform COUNTY of all requests for interviews by media related to this Agreement before such interviews take place; and COUNTY shall be entitled to have a representative present at such interviews. All notices required by this provision shall be given to the Humboldt County Administrative Officer.

29. SUBCONTRACTS:

HTA shall obtain prior written approval from COUNTY before subcontracting any of the services to be provided pursuant to the terms and conditions of this Agreement. Any and all subcontracts will be subject to all applicable provisions of this Agreement, including, without limitation, the licensing, certification and confidentiality requirements set forth herein. HTA shall remain legally responsible for the performance of all terms and conditions of this Agreement, including work performed by third parties under subcontracts, whether approved by COUNTY or not.

30. JURISDICTION AND VENUE:

This Agreement shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder, or relating hereto, shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to California Code of Civil Procedure Sections 394 or 395.

31. SURVIVAL:

The duties and obligations of the parties set forth in Section 8 – Reports, Section 9 – Record Retention and Inspection, Section 11 – Confidential Information and Section 14 – Indemnification shall survive the expiration or termination of this Agreement.

32. FORCE MAJEURE:

A. Inability to Perform. Neither party hereto shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control, and without the fault or



negligence, of such party. Such events shall include, without limitation, acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism or other disaster, whether or not similar the foregoing. The party claiming excuse of performance hereunder shall, within five (5) days after the occurrence of any such cause or causes, present to the other party written notice of the facts constituting such cause and claiming excuse of performance hereunder.

B. Effect. In the event HTA is excused from performing its obligations hereunder for any of the aforesaid reasons, COUNTY may, at COUNTY's absolute discretion, perform all such obligations itself without liability to HTA therefore. Further, and notwithstanding the termination provisions set forth herein, COUNTY may terminate this Agreement at any time during such a period of non-performance by providing HTA written notice of not less than seven (7) days prior to the effective date of such termination.

33. CONFLICTING TERMS OR CONDITIONS:

In the event of any conflict in the terms or conditions set forth in any other agreements in place between the parties hereto and the terms and conditions set forth in this Agreement, the terms and conditions set forth herein shall have priority.

34. INTERPRETATION:

This Agreement, as well as its individual provisions, shall be deemed to have been prepared equally by both of the parties hereto, and shall not be construed or interpreted more favorably for one (1) party on the basis that the other party prepared it.

35. INDEPENDENT CONSTRUCTION:

The titles of the sections, subsections, and paragraphs set forth in this Agreement are inserted for convenience of reference only, and shall be disregarded in construing or interpreting any of the provisions of this Agreement.

36. ENTIRE AGREEMENT:

This Agreement contains all of the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto. In addition, this Agreement shall supersede in their entirety any and all prior agreements, promises, representations, understandings and negotiations of the parties, whether oral or written, concerning the same subject matter. HTA shall be entitled to no other benefits other than those specified herein. HTA specifically acknowledges that in entering into and executing this Agreement, HTA relies solely upon the provisions contained in this Agreement and no others. Any and all acts which may have already been consummated pursuant to the terms and conditions of this Agreement are hereby ratified.

37. AUTHORITY TO EXECUTE:

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations hereunder have been duly authorized.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the first date written above.

**HUMBOLDT TRANSIT AUTHORITY:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_


Title: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Nancy Diamond, General Counsel

Date: \_\_\_\_\_

**COUNTY OF HUMBOLDT:**

By: \_\_\_\_\_  
  
Ryan Sundberg  
Chair, Humboldt County Board of Supervisors

Date: 6/26/18

**INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:**

By: \_\_\_\_\_  
  
Risk Management

Date: 6/22/18

**LIST OF EXHIBITS:**

Exhibit A – Willow Creek Bus Transit System Routes



**EXHIBIT A**  
**WILLOW CREEK BUS TRANSIT SYSTEM ROUTES**  
Humboldt Transit Authority  
For Fiscal Years 2018-2019 Through 2020-2021

A. INTERCITY BUS:

1. The service area is for the Willow Creek transit system is between Arcata and Willow Creek with several bus stops in Arcata and one bus stop in Willow Creek.
2. The bus will operate on a regular schedule from Monday to Friday and a reduced schedule on Saturday.
3. Cash Fares:
  - 3.1 Regular: \$5.00
  - 3.2 Reduced: \$4.40
4. Transit Pass Fares:
  - 4.1 Regular \$3.30
  - 4.2 Reduced: \$2.75
  - 4.3 \$10 Transit Pass
  - 4.5 \$20 Transit Pass
5. Unlimited Rides Day Pass
  - 5.1 Day Pass \$8.00
6. Unlimited Rides Month Pass
  - 6.1 Regular \$86.00
  - 6.2 Reduced \$81.00

**FIRST AMENDMENT  
AGREEMENT FOR OPERATION OF BUS TRANSIT SYSTEM  
IN THE WILLOW CREEK AREA  
BY AND BETWEEN  
COUNTY OF HUMBOLDT  
AND  
HUMBOLDT TRANSIT AUTHORITY  
FOR FISCAL YEARS 2016-2017 THROUGH 2018-2019**

This First Amendment to the Agreement for Operation of a Bus Transit System in the Willow Creek Area of Humboldt County dated May 18, 2016, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Humboldt Transit Authority, a joint powers public entity of the State of California, hereinafter referred to as "HTA," shall be effective as of June 26, 2018:

WHEREAS, COUNTY desired to provide useful and economical bus service to the citizens of the eastern portion of Humboldt County; and

WHEREAS, on May 18, 2016, COUNTY and HTA entered into an Agreement for Operation of a Bus Transit System in the Willow Creek Area of Humboldt County ("Willow Creek Transit Agreement"); and

WHEREAS, COUNTY and HTA now desire to amend the Willow Creek Transit Agreement to shorten the term thereof to June 30, 2018 in order to allow for a uniform service period for all of the transit agreements between COUNTY and HTA.

NOW THEREFORE, the parties mutually agree as follows:

1. Section 3 – Term of the Willow Creek Transit Agreement is hereby amended to read in its entirety as follows:

3. TERM:

The term of this Agreement shall begin on July 1, 2016 and shall remain in full force and effect until June 30, 2018, unless sooner terminated as provided herein.

2. Except as modified herein, the Willow Creek Transit Agreement dated May 18, 2016 shall remain in full force and effect. In the event of a conflict between the provisions of this First Amendment and the original Willow Creek Transit Agreement, the provisions of this First Amendment shall govern.

[Signatures on Following Page]



IN WITNESS WHEREOF, the parties have entered into this First Amendment as of the first date written above.

**HUMBOLDT TRANSIT AUTHORITY:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Nancy Diamond, General Counsel

Date: \_\_\_\_\_

**COUNTY OF HUMBOLDT:**

By:  \_\_\_\_\_  
Ryan Sundberg  
Chair, Humboldt County Board of Supervisors

Date: 6/26/18 \_\_\_\_\_

**INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:**

By: \_\_\_\_\_  
Risk Management

Date: \_\_\_\_\_