

CHAPTER 28E AGREEMENT BETWEEN THE CITY OF CORALVILLE AND THE CITY OF NORTH LIBERTY REGARDING THE PROVISION OF LIMITED TRANSIT SERVICES TO THE CITY OF NORTH LIBERTY BY THE CORALVILLE TRANSIT DEPARTMENT.

THIS AGREEMENT is made by and between the City of Coralville, Iowa, a municipal corporation (“Coralville”); and the City of North Liberty, Iowa, a municipal corporation (“North Liberty”).

WHEREAS, Coralville currently operates a transit system for the benefit of its residents; and

WHEREAS, North Liberty has proposed that Coralville provide limited transit services to the residents of North Liberty; and

WHEREAS, the parties desire to enter into an additional 28E Agreement, outlining in detail each of their respective duties and responsibilities regarding the proposal to provide limited transit services in more detail.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

- I. **Purpose.** The purpose of the agreement is to outline the obligations of each party as it pertains to the provisions of limited transit services to North Liberty.
- II. **Consideration.** The mutual consideration herein is the provision of limited transit services to North Liberty and the payment for said services to Coralville.
- III. **No separate legal entity.** No separate legal entity is created by this Agreement. The Coralville Director of Parking and Transportation will administer this agreement.
- IV. **Applicable Law.** Both parties acknowledge that Coralville receives federal and state funds to operate its transit system. Therefore, North Liberty acknowledges that this Agreement will be administered in accordance with applicable federal, state and local laws applicable to operating a transit system while receiving federal and state funding, as well as any employment agreements the City has entered into with its Transit employees. Any requests to provide service contrary to applicable federal, state or local law shall be denied. Further, any actions by North Liberty in violation of said applicable law will be grounds for immediate termination of this Agreement, at Coralville’s sole discretion.

V. **Duration of the Agreement.** This initial term of this Agreement shall be for two years, commencing September 5, 2006. This Agreement shall subsequently renew annually on each successive September 5th (the "Renewal Date") unless either party gives 90 days written notice to the other party prior to the Renewal Date.

VI. **Capital Expenditures.** In order to provide service to North Liberty, Coralville has determined that it must procure another bus. As consideration for entering into this Agreement, North Liberty agrees to pay Coralville, 50% of the cost to procure said bus. The "cost" of the bus will include the cost of the bus, and all other "make-ready" items, including, but not limited to, the procurement and installation of security cameras, fare boxes and other miscellaneous items to make the bus compatible with the rest of the Coralville fleet. The bus will forever be the property of Coralville.

Upon calculation of the final cost of the bus, Coralville shall immediately invoice North Liberty for its 50% share of the bus. North Liberty shall pay the entire amount to Coralville no later than July 15, 2007.

North Liberty shall also pay 50% of all future capital expenditures required to continue to provide Transit Services pursuant to the terms of this Agreement within 30 days of invoice by Coralville.

VII. **Commencement of services by September 5, 2006.** North Liberty acknowledges that Coralville, at North Liberty's request, will be commencing Transit Services to North Liberty on September 5, 2006, using an "extra" Coralville bus until such time as the bus described in Paragraph VI above is acquired and ready to transport persons (the "Interim Period"). During this Interim Period, should Coralville fail to have an "extra" bus to provide Transit Services, North Liberty will have to make other arrangements to transport its persons, and North Liberty shall have no recourse under this Agreement because Coralville is accommodating North Liberty by commencing service at an earlier time than desired by Coralville.

VIII **Transit Services for North Liberty.** Coralville shall initially provide transit services to North Liberty pursuant to the terms of this Agreement on the fixed routes listed on Exhibit "A" attached hereto ("Fixed Route Service"). Any modification to the initial Fixed Route Service shall be at the sole discretion of the Coralville Director of Parking and Transportation.

Pursuant to federal law, Johnson County SEATS shall also provide paratransit services to North Liberty ("Paratransit Service").

For the purposes of this Agreement, the term "Transit Services" shall collectively refer to the provision of Fixed Route Service by Coralville and Paratransit Service provided by Johnson County SEATS.

IX. **Payment for Transit Services.** North Liberty shall pay Coralville for all Transit Services provided to North Liberty by the Coralville Transit Department or Johnson County SEATS. The costs shall be calculated as follows:

A. Payment for Fixed Route Service.

1) North Liberty shall reimburse Coralville monthly per “operational cost per hour” to provide the Fixed Route Service. The “operational cost per hour” is calculated by totaling the entire expenses of the Coralville Transit Department for that month and dividing that amount by the operational hours run by the Coralville Transit Department for that month.

$$\frac{\text{Total Expenses of Coralville Transit Department}}{\text{Total operational hours of the Coralville Transit Dept.}} = \text{“operational cost/hour”}$$

2) Next, multiply the “operational cost/hour” times the number of total hours necessary to provide the Fixed Route Service listed on Exhibit “A”.

“Operational cost/hour” X Total Number of Hours to Provide Fixed Route Service

3) The number generated by the calculation in subparagraph 2) above would be the Payment required by North Liberty for Fixed Route Service.

B. Payment for Paratransit Service.

Coralville already has an existing agreement with Johnson County SEATS to provide Paratransit Service to the City of Coralville. Therefore, Coralville shall pay directly to Johnson County SEATS all costs associated with providing Paratransit Service to North Liberty as required by federal law. North Liberty shall reimburse the entire amount paid to Johnson County SEATS on its behalf by Coralville.

C. Invoice/Reporting and Payment.

On or before the 15th day of each month, Coralville shall submit to North Liberty an invoice for providing Transit Services to North Liberty covering the previous month. Said invoice shall also contain a detailed report showing how the cost was calculated. North Liberty shall pay Coralville within 30 days of invoice.

All capital expenditures shall be invoiced and paid in accordance with Paragraph VI above.

X. **Early Termination of the Agreement.** Coralville or North Liberty may terminate this Agreement prior to September 4, 2008, by submitting 30-days written notice to either party. Upon termination of the Agreement, all Transit Services shall be discontinued by Coralville and Coralville shall submit a final invoice to North Liberty that shall be paid within 30 days of receipt.

If the termination by North Liberty occurs prior to July 1, 2007, North Liberty shall also pay for its 50% share of the bus outlined in Paragraph VI above within 30 days of invoice by Coralville.

If the termination by Coralville occurs prior to July 1, 2007, for reasons other than the default of North Liberty, than North Liberty shall be relieved of the obligation to pay for the bus as outlined in Paragraph VI above.

XI. **Declaration of Default and Notice.** In the event that either party determines the other party has defaulted in the performance of its material obligations hereunder, the aggrieved party may declare that default has occurred and give notice of such to the defaulting party as listed in Paragraph XIV below. Said Notice of Default shall be given in writing and outline the default with particularity, and describe what action is required of the defaulting party to correct the default. If at the end of said thirty (30) day period, the default has not, in the opinion of the aggrieved party, been corrected, that party may pursue its remedies as provided herein.

XII. **Remedies Under Default.** In the event of a default by North Liberty of its obligations to adhere to the applicable law outlined in Paragraph IV above or to make payment for Transit Services as outlined in Paragraph IX above, Coralville, at its option, after declaring default and giving notice thereof and a chance to remedy as described in Paragraph XI above, may immediately terminate this Agreement.

In the event of a default by Coralville in its obligations to provide Fixed Route Transit Services, North Liberty may, after declaring default and giving notice thereof and a chance to remedy as described in Paragraph XI above, seek termination of the Agreement.

In the event that either party commences a cause of action to enforce the terms of this Agreement, the non-breaching party shall be entitled to collect reasonable costs and attorneys fees from the breaching party.

XIII. **Indemnity and Hold Harmless.** North Liberty agrees to indemnify, defend and hold harmless Coralville, its officers, agents and employees, against any claims, suits, actions, debts, damages, costs, charges, and expenses, including court costs and reasonable attorneys fees, and against any and all liability for property damage and personal injury, including death, arising directly or indirectly from the provision of Transit Services by Coralville to North Liberty unless caused by the reckless acts of Coralville, its officers, agents or employees.

XIV. **Notices.** Any notice under this Agreement by any party to the other party shall be sufficiently given or delivered if it dispatched via regular or certified mail, postage prepaid, return receipt requested, or personally delivered, and

1) In the case of North Liberty, is addressed or personally delivered to:

City Administrator
City of North Liberty, Iowa
5 E. Cherry Street

North Liberty, Iowa 52317

2) In the case of Coralville, is addressed or personally delivered to:

City Administrator
City of Coralville, Iowa
1517 7th Street, P.O. Box 5127
Coralville, Iowa 52241

XV. **Filing.** The City Clerk of Coralville shall file this Agreement with the Secretary of State and record this Agreement in the Office of the Johnson County Recorder as required by law. Each City shall pay 50% of the costs associated with the recording of this Agreement.

Dated this 22nd day of August, 2006

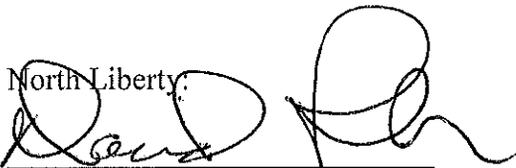
Coralville:

Jim L. Fausett, Mayor

ATTEST:

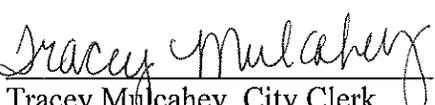
Thorsten J. Johnson, City Clerk

North Liberty:



David Franker, Mayor

ATTEST:



Tracey Mulcahey, City Clerk

STATE OF IOWA, COUNTY OF JOHNSON, ss:

On this _____ day of _____, 2006, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Jim L. Fausett and Thorsten J. Johnson, to me personally known, who, being by me duly sworn, did say that they are the Mayor and Deputy City Clerk, respectively, of the City of Coralville, Iowa; a municipal corporation; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as passed by Resolution of the City Council; and Jim L. Fausett and Thorsten J. Johnson acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

A Notary Public in and for the
State of Iowa
My commission expires:

STATE OF IOWA, COUNTY OF JOHNSON, ss:

On this 31st day of August, 2006, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared David Franker and Tracey Mulcahey, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of North Liberty, Iowa; a municipal corporation; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as passed by Resolution of the City Council; and David Franker and Tracey Mulcahey acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.



A Notary Public in and for the
State of Iowa

My commission expires:

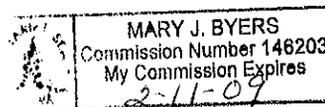


EXHIBIT "A"

Fixed Route Service

1. Morning Service.

The morning service route will depart from North Liberty from the Community Center parking lot at approximately 7:05 a.m. From there, the bus will proceed south down Front Street and 12th Avenue in Coralville; then proceed to Holiday Road and continuing down 1st Avenue in Coralville to the University of Iowa Hospitals and Clinics and arriving in downtown Iowa City at approximately 7:50 a.m. The number and locations of stops to pick-up or drop-off persons will be determined by the Coralville Director of Parking and Transportation.

2. Midday Service.

The midday service will depart from Coral Ridge Mall at a place to be determined by the Coralville Director of Parking and Transportation at approximately 11:30 a.m. The bus will continue along Coral Ridge Avenue/Highway 965, turning at Forevergreen Road to Front Street to a final stop to be determined by the Coralville Director of Parking and Transportation. The bus will then return to the Coral Ridge Mall via the route in reverse. The number and locations of stops to pick-up or drop-off persons will be determined by the Coralville Director of Parking and Transportation.

3. Afternoon Service.

The afternoon service would be the reverse route of the Morning Service, departing from downtown Iowa City at approximately 5:10 p.m. and arriving in North Liberty at approximately 5:55 p.m. The number and locations of stops to pick-up or drop-off persons will be determined by the Coralville Director of Parking and Transportation.