

GLENN COUNTY REGIONAL TRANSIT COMMITTEE

JOHN F. LINHART, EXECUTIVE DIRECTOR
PHONE:(530)934-6540 FAX:(530)934-6533

AGENDA ITEM

MEETING OF JUNE 20, 2013

SUBJECT

Consider the lease of Buses #86, #88, and #89 to Paratransit Services, Inc. for use in the Nevada County region.

ATTACHMENTS

- Bus photo
- Lease Agreement

BACKGROUND & DISCUSSION

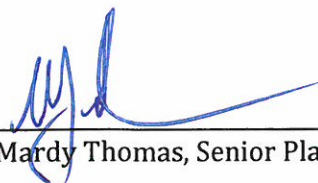
Paratransit Services, Inc. contacted Regional Transit Committee (RTC) staff to inquire about leasing three of its small Type II buses to use in the Nevada County region for approximately one month until the vehicles for they have purchased can be put into service. Glenn Transit Service uses these buses to operate the Dial-A-Ride service. Staff reviewed the request and concluded the following:

1. Leasing the buses was allowable under the funding source with which they were purchased.
2. Leasing would allow payment of vehicle maintenance to come from another source.
3. There would be adequate back-up buses available in the event that one of the remaining Glenn Transit Service vehicles went down.

A lease agreement was developed by RTC staff and reviewed by legal counsel for adequacy. After consultation with maintenance and fiscal staff, a per mile rate was set for each vehicle. The lease has been arranged as a month-to-month lease to account for any contingencies.

RECOMMENDATION

Approve the lease agreement with Paratransit Services, Inc. and authorize the Executive Director to sign the agreement.


Mardy Thomas, Senior Planner

6A
Agenda Item#



Glenn Ride

TRANSPORTATION TO WILLOWS ORLAND HAMILTON CITY CHICO

1-888-800-RIDE

Operated by
The City of Chico
CA 162985

88

2010/08/20

LEASE AGREEMENT

THIS AGREEMENT, entered into by Glenn Transit Service (hereinafter called the “Lessor”) and Paratransit Services, hereinafter called the “Lessee”), **WITNESSES THAT:**

WHEREAS, the Lessee will require the use of vehicles to provide service for current and upcoming transportation contracts; and

WHEREAS, the Lessee had determined a need for three (3) vehicles as described:

Type II Paratransit Bus

<i>Fleet No.</i>	<i>Year</i>	<i>Make</i>	<i>VIN</i>	<i>Mileage</i>
86	2009	Starcraft	1FDFE45S69DA44146	38,207
88	2009	Starcraft	1FDFE45S89DA44150	25,794
89	2009	Starcraft	1FDFE45S19DA44152	25,090

NOW, THEREFORE, in consideration of the mutual covenants herein set forth, the Lessor and the Lessee agree as follows:

Section 1. Purpose of Agreement

The purpose of this Agreement is to provide for the leasing of vehicle(s) owned by the Lessor and to state the terms, conditions and mutual understandings of the parties as to the manner in which this Agreement will be undertaken and completed.

Section 2. Term of Agreement

The term of this Agreement shall be month-to-month, beginning on June 20, 2013, with days’ written notice of termination from either party to the other.

Section 3. Payment

A. Rate:

The Lessee will pay to Lessor seventy-six cents (\$0.76) per mile per vehicle. Odometer readings will be verified by Lessor at the time the vehicles are delivered for lease and upon return to Lessor. Lessee shall report vehicle mileage to Lessor every 30 days.

B. Payment Schedule

Lessee agrees to pay the Lessor by the 10th working day of the month for the lease of vehicles for the prior month.

Section 4. Licensing

The Lessor shall pay for the initial license and its continued renewal through the Agreement. The vehicle title will show the Lessor as the legal and registered owner.

Section 5. Operating Authority Signage

Lessee is responsible for adhering to and complying with USDOT and State transportation operating authority requirements and is required to affix appropriate operating authority numbers on leased vehicles during the term of this Agreement.

Section 6. Use of Equipment

The Lessee agrees that the vehicles shall be used solely for Lessee's operation in the Lessee's service area Nevada County, California.

Section 7. Maintenance and Transportation of Equipment

During the term of this Agreement, Lessee will be responsible for performing pre- and post-trip inspections and all costs associated with normal vehicle maintenance needs. Lessee will be responsible for towing charges associated with returning a leased vehicle back to Lessee's premises should a breakdown occur during the term of this Agreement. Lessee will be responsible for the cost of any repairs as a result of negligence by the operator and/or Lessee.

Lessee is responsible for payment to Lessor of any and all damage resulting from vandalism and theft.

Preventative maintenance inspections are to be scheduled every 4,000 miles.

At the termination of this Agreement, the leased vehicles shall be returned as leased. Lessee shall be responsible for any damage.

Lessee shall be responsible for transporting the equipment to and from Lessee's service area.

Section 8. Hold Harmless and Indemnification

- A. The Lessee agrees to indemnify and hold harmless Lessor and all of its officers, employees, agents, or otherwise, from any loss, damages, costs, charges or expenses whether to persons or property, including any costs, expenses, or attorney's fees in the defense of any claims therefore, which Lessor may incur by reason of any act, action, neglect, omission or default on the part of the Lessee, provided however, as to any liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of Lessor and/or its agents or employees and the lessee or its agents and employees, this section is valid and enforceable only to the extent of the Lessee's negligence.
- B. The Lessor agrees to indemnify and hold harmless Lessee and all of its officers, employees, agents, or otherwise, from any loss, damages, costs, charges or expenses whether to persons or property, including any costs, expenses, or attorney's fees in the

defense of any claims therefore, which Lessee may incur by reason of any act, action, neglect, omission or default on the part of the Lessor, provided however, as to any liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of Lessee and/or its agents or employees and the Lessor or its agents and employees, this section is valid and enforceable only to the extent of the Lessor's negligence.

Section 9. Insurance

The Lessee shall obtain and keep in force during the full term of this Agreement the following insurance coverage:

- A. Commercial General Liability Coverage including Bodily Injury/Property Damage, Personal Injury/Advertising Injury, Products and Completed Operations, Contractual Liability, Premises and Operations, Independent Contractors, and Stop Gap Liability for minimum limits of:

\$1,000,000 combined single limit per occurrence

- B. All risk insurance policy for the actual cash value of the vehicles acceptable to Lessor.
- C. Certificates of Insurance shall be provided to Lessor in advance of taking possession of leased vehicles evidencing proof of coverage.

Section 10. Agreement Modifications

Either party may request changes in these provisions. Such changes, which are mutually agreed upon, shall be incorporated as written amendments to this Agreement. No variation or alteration of the terms of this Agreement shall be valid unless and until such variation or alteration is made in writing and signed by authorized representatives of the parties hereto.

Section 11. Safety

The Lessee shall ensure that all equipment is operated in a safe, prudent manner and that all operators comply with existing laws regarding the operation of motor vehicles on the streets, roads and highways of the state.

Section 12. Severability

If any covenant or provisions, or part thereof, of this Agreement is adjudged void, or held to be invalid, such adjudication or holding shall not affect the validity or obligation of performance of any other covenant or provisions, or part thereof, which in itself is valid, if such remainder conforms to the terms and requirements of applicable lease and with the intent of this Agreement. No controversy concerning any covenant or provision shall delay the performance of any other or provisions as herein allowed.

Section 13. Sub-Lessee

Vehicles shall not be leased to a sub-lessee without written authorization from the Lessor.

Section 14. Notices

Any notice, request, consent, demand, report, statement, or submission which is required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered personally to the respective parties set forth below, or mailed by first class United States mail, postage prepaid, to the respective parties at the addresses set forth below, or to such other addresses as the parties may from time to time advise by notice in writing. The date of receipt of any such notice, request, consent, demand, report, statement, or submission shall be presumed to be the date of delivery if served personally, or if mailed as aforesaid, on the fifth business day following the date of such mailing.

Notices should be directed towards:

Lessee:
Paratransit Services
David Baker, President/CEO
4810 Auto Center Way, Suite Z
Bremerton, WA 98312

Lessor:
Glenn Transit Service
John Linhart, Executive Director
777 N. Colusa St.
Willows, CA 95988

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of _____, 2013.

Paratransit Services

Glenn Transit Service

By: _____
David Baker, President/CEO

By: _____
John Linhart, Executive Director