FY 2022-23 AGREEMENT BETWEEN THE COUNTY OF SONOMA AND MENDOCINO TRANSIT AUTHORITY

The following is an Agreement, dated as of July 1, 2022 ("Effective Date"), by and between the County of Sonoma, a political subdivision of the State of California (hereinafter "County"), and Mendocino Transit Authority Joint Powers Agency (hereinafter "MTA"). For purposes of this Agreement, County and MTA shall be jointly referred to as "Parties" or "the Parties" and singularly as "Party."

RECITALS

WHEREAS, California Public Utilities Code section 99288 authorizes the Parties to enter into this Agreement; and

WHEREAS, MTA represents that it operates a bus transit system in compliance with all relevant laws, regulations, and other applicable restrictions; and

WHEREAS, the Transportation Development Act requires that at least 10% of the Operating Cost be obtained from Farebox Revenue for transit operations to qualify for state funding; and

WHEREAS, MTA and County wish to continue providing transit service in the North Coastal area between Point Arena and the city of Santa Rosa, known as MTA Route 95.

NOW, THEREFORE, in consideration of the foregoing recitals and mutual covenants contained herein, the Parties hereto agree as follows:

AGREEMENT

1. <u>Definitions</u>. For purposes of this Agreement, the terms shall have the following meanings:

- (a) "Day" or "day" means calendar day.
- (b) "Farebox Revenue" means all revenues collected from fare-paying passengers, including in the form of cash and all pass sales revenues.
- (c) "Local Fare" means the passenger fare paid to travel a "local" zone as illustrated in Exhibit "A."
- (d) "Operating Costs" means total costs of operating a public transit route, including labor, fuel (and other consumable costs), insurance, maintenance, administration and depreciation.
- (e) "Route Costs" means the operating costs of operating a specific route within a transit system's collection of routes.
- (f) "Route Deficit" means Operating Cost less all Farebox Revenue.

2. <u>Service to be Provided</u>. MTA agrees to provide general public and disabled-accessible transit service per the route and schedule set forth in Exhibit "A" attached hereto and incorporated herein by reference. MTA shall make available on all route vehicles a printed schedule which indicates that part of the service which is subsidized by County.

MTA shall provide daily round trip services every day, except for the following holidays: Thanksgiving Day, Christmas Day and New Year's Day.

3. <u>Fares</u>. A minimum Local fare within Sonoma County shall be at least \$1.50 for regular/adult; \$1.25 for youth (18 and under); and \$0.75 for senior and disabled. MTA shall honor transfers from Sonoma County Transit for satisfaction of a Local fare. Sonoma County Transit shall accept MTA transfers for satisfaction of a First-Zone (base) fare. Fares may only be changed by the written, mutual consent of all Parties to this Agreement.

4. <u>Changes in Service</u>. Any Party may propose a change in service. MTA shall review any proposed change in service to determine the estimated cost and compatibility of the proposed change with MTA's overall bus system operation. A change in service will be put into effect only upon the written approval of both Parties; except that MTA may, at its sole discretion, make such temporary changes as are required by conditions beyond the control of MTA or make minor operational changes in service that do not increase County's payment obligation. MTA shall promptly notify County, in writing, of temporary changes or operational changes in service.

5. <u>Route Costs</u>. The total Operating Costs of this service shall be determined by MTA on an actual cost basis in accordance with generally accepted accounting procedures for public transit service. Operating Costs shall not include any expense or charge which is not eligible for reimbursement under the provisions of California Public Utilities Code Section 99400 et seq. and any related rules or regulations.

County shall contribute to these Route Costs based on a residency survey of riders. County will be responsible for conducting the survey within Sonoma County.

6. <u>Fare Distribution and Satisfaction of Farebox Requirement</u>. All Farebox Revenue collected on this service shall be credited to that route.

7. <u>Route Deficit</u>. The Route Deficit shall be equal to the Route Costs less Farebox Revenue. The Parties shall split the Route Deficit as follows: 56% by County and 44% by MTA. The Parties agree that these percentages are based on previous ridership residency surveys and sufficiently reflect each jurisdiction's ridership on the service.

8. <u>Payment Obligation; Funding Contingency</u>. Subject to the funding contingency indicated below, County shall pay County's portion of the Route Deficit, in an amount as provided above. Notwithstanding, County's payment obligation shall not exceed 56% of the Route Deficit, and shall not exceed \$180,000 ("Maximum Obligation").

9. <u>Reporting and Information Requirements</u>. MTA shall provide a written report to County every month for the previous month. This report shall include the financial and operating data for all services provided under this Agreement and a detailed itemization of operating data, expenses, and revenues on the form shown as Exhibit "B." MTA shall also provide applicable back-up data as requested. MTA shall provide this report to County within twenty (20) days following the end of each month. If MTA fails to timely file a monthly report or reports, County may, in its sole discretion, withhold any payment or payments required by this Agreement.

MTA shall also provide any other information or documents that may be required to comply with National Transit Database reporting requirements or the Transportation Development Act(as amended) or any related rules or regulations, including Title 21, Division 3, of the California Code of Regulations (as amended), to County within twenty (20) days of any County request.

MTA shall actively participate and provide required input, communication and follow-up in accordance with County's federally required Public Transit Agency Safety Plan (PTASP).

10. <u>Payment</u>. County shall pay MTA as provided herein on or before the 15th day of each month, beginning July 2022 through June 2023. County's aggregate annual payment under this Agreement shall not exceed \$180,000. All County payments shall comport with Sonoma County Board of Supervisors' Resolution No. 62627, dated December 19, 1978.

11. <u>Term</u>. The term of this Agreement is July 1, 2022, through June 30, 2023. This Agreement shall automatically terminate at midnight on June 30, 2023.

12. <u>Insurance</u>. MTA shall maintain and shall require all its subcontractors to maintain insurance as described below:

A. <u>Worker's Compensation Insurance</u>. Worker's compensation insurance with statutory limits as required by the Labor Code of the State of California. Said policy shall be endorsed with the following specific language:

"This policy shall not be canceled or materially changed without first giving thirty (30) days' prior written notice to the County of Sonoma, Department of Transportation and Public Works."

B. <u>General Liability Insurance</u>. Commercial general liability insurance covering bodily injury and property damage utilizing an occurrence policy form, in an amount no less than \$5,000,000 combined single limit for each occurrence. Said commercial general liability insurance policy shall either be endorsed with the following specific language or contain equivalent language in the policy:

(1) "The County of Sonoma, its officers and employees, is named as additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."

(2) "The inclusion of more than one insured shall not operate to impair the rights of one 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 insured shall not operate to increase the limits of the company's liability."

(3) "The insurance provided herein is primary coverage to the County of Sonoma with respect to any insurance or self-insurance programs maintained by County."

(4) "This policy shall not be canceled or materially changed without first giving thirty(30) days' prior written notice to the County of Sonoma, Department of Transportation and Public Works."

C. <u>Automobile Liability Insurance</u>. Automobile liability insurance covering bodily injury and property damage in an amount no less than \$5,000,000 combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. Said policy shall be endorsed with the following language:

"The County of Sonoma, its officers and employees, is named as additional insured for liability arising out of the ownership, maintenance, use, loading or unloading of an automobile in the performance of this agreement.

The insurance provided to County is primary and non-contributory with respect to any insurance or self-insurance program maintained by County.

This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the County of Sonoma, Department of Transportation and Public Works."

D. <u>Documentation</u>. The following documentation shall be submitted to the County:

(1) Properly executed Certificates of Insurance clearly evidencing all coverages, limits, and endorsements required above. Said Certificates shall be submitted prior to the execution of this Agreement.

(2) Signed copies of specified endorsements for each policy. Said endorsement copies shall be submitted within thirty (30) days of execution of this Agreement.

(3) Upon County's written request, certified copies of insurance policies. Said policy copies shall be submitted within thirty (30) days of County's request.

(4) After the Agreement has been signed, signed Certificates of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.

E. <u>Policy Obligations</u>. MTA's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

F. <u>Material Breach</u>. If MTA, for any reason, fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of this Agreement. County, in its sole option, may terminate this Agreement and obtain damages from MTA resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to MTA, County may deduct from sums due to MTA any premium costs advanced by County for such insurance. These remedies shall be in addition to any other remedies available to County.

13. <u>Statutory Compliance/Living Wage Ordinance</u>. MTA agrees to comply, and to ensure compliance by its sub-consultants or subcontractors, with all applicable federal, state and local

laws, regulations, statutes and policies, including but not limited to the County of Sonoma Living Wage Ordinance, applicable to the services provided under this Agreement as they exist now and as they are changed, amended or modified during the term of this Agreement. Without limiting the generality of the foregoing, MTA expressly acknowledges and agrees that this Agreement may be subject to the provisions of Article XXVI of Chapter 2 of the Sonoma County Code, requiring payment of a living wage to covered employees. Noncompliance during the term of the Agreement will be considered a material breach and may result in termination of the Agreement or pursuit of other legal or administrative remedies.

14. <u>Substitute Vehicle(s)</u>. The County will not provide any substitute vehicles to MTA for services provided under this Agreement.

15. <u>Indemnification</u>. County agrees to accept all responsibility for loss or damage to any person or entity, and to defend, indemnify, hold harmless, and release MTA, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, or expenses that may be asserted by any person or entity, including County, arising out of or in connection with the performance of County hereunder, but excluding liability due to the sole active negligence or sole willful misconduct of MTA. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for County or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

MTA agrees to accept all responsibility for loss or damage to any person or entity, and to defend, indemnify, hold harmless, and release County, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, or expenses that may be asserted by any person or entity, including MTA, arising out of or in connection with the performance of MTA hereunder, but excluding liability due to the sole active negligence or sole willful misconduct of County. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for MTA or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

16. <u>Assignment</u>. No Party shall assign, sublet, or transfer any interest in this Agreement without written consent of the other, and no assignment shall be of any force or effect whatsoever unless and until the other Parties shall have so consented in writing.

MTA offers and agrees and shall assign to County, and agrees to require its subcontractors to offer and agree to assign to County, all rights, title, and interest in and to all causes of actions it may have under Section 4 of the Clayton Act (15 USC Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to this Agreement or any subcontracts entered into hereunder. This assignment shall be made and become effective at the time County tenders final payment to MTA, without further acknowledgement of the Parties.

17. <u>Method and Place of Giving Notice, Submitting Bills and Making Payments</u>. All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills and payments shall be addressed as follows:

MTA:	Mendocino Transit Authority Attention: General Manager	
	241 Plant Road	PHONE: 707-462-5765
	Ukiah, CA 95482	FAX: 707-462-1760
County:	Sonoma County Transit Attention: Transit Systems Manager	
	355 West Robles Avenue Santa Rosa, CA 95407	PHONE: 707-585-7516 FAX: 707-585-7713

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. Notices, bills and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this section.

18. <u>Merger</u>. This writing is intended both as the final expression of the Agreement between the Parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both Parties.

19. <u>Nondiscrimination</u>. MTA shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by reference.

MTA shall not engage in, tolerate or practice any form of discrimination in determining the grant of services to eligible patrons. The system shall operate on a first-come, first-served basis without preference to the type of trip (i.e., medical, social, work, or other). County residents as well as non-residents shall be equally eligible for service. No restrictions or priorities based on trip purpose will be permitted.

20. <u>Right to Monitor and Audit</u>. County and its agents and the regional governments shall have the right to monitor and audit all performance under this Agreement.

County will notify MTA in writing within thirty (30) days of any potential exception(s) discovered during such examination. Where such findings indicate that program requirements are not being met and funding agency participation in this program may be imperiled, such written notification will constitute the County's intent to terminate this Agreement in the event that corrections are not accomplished by MTA within sixty (60) days.

21. <u>Compliance with Laws and Regulations.</u> MTA shall comply with all federal, state, and local laws, and all regulations or requirements of funding agencies, such as alcohol/drug testing, DMV Pull-Notice System for Drivers, and any other matters that impact eligibility for funding, risk exposure, safety, or other relevant area.

MTA shall indemnify, protect, defend, and hold harmless County and its officers, agents, and employees from all fines, penalties, and liabilities imposed or threatened to be imposed upon County under any such laws, rules, or regulations by any public agency, authority, or court having jurisdiction, when the imposition or threat of same relates to the failure of MTA to keep fully informed and/or to comply with such laws, rules, or regulations.

22. <u>Senior and Disabled Certification</u>. MTA shall offer reduced fares to senior citizens and disabled persons. Fares for senior citizens and disabled persons shall not exceed 50% of the regular adult fare. MTA shall honor the federal Medicare identification card, the DMV senior citizen identification card, and the Regional Connection Discount Card.

23. <u>Status of MTA</u>. The Parties intend that MTA, in performing the services hereinafter specified, shall act as an independent contractor and shall have control of the work and the manner in which it is performed. MTA is not to be considered an agent or employee of County and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits County provides its employees.

24. <u>Right to Adequate Assurance of Performance</u>. Each Party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either Party, the other may, in writing, demand adequate assurance of due performance and until it receives such assurance may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a Party with respect to performance under this Agreement, but also conduct of a Party with respect to other Agreements with Parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved Party's right to demand adequate assurance of future performance. Nothing in this <u>Section 24</u> limits County's right to terminate this Agreement pursuant to <u>Section 33</u>.

25. <u>Retention of Records</u>. MTA and County agree to retain all documents relating to this Agreement for four years from the date of termination or until all federal/state audits are complete for this fiscal year, whichever is later, except in the event of litigation or settlement of claims arising from the performance of this Agreement, in which case MTA agrees to maintain same until County, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims, or exceptions related thereto. Reference 49 CFR 18.39(i)(11). Upon request, MTA shall make available these records to County, state, or federal government personnel.

26. <u>Conflict of Interest</u>. MTA covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. MTA further covenants that in the performance of this Agreement no person having any such interests will be employed. In addition, if requested to do so by County, MTA shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with the Sonoma County Clerk disclosing MTA's or such other person's financial interests.

27. <u>Conflict of Transportation Interest</u>. MTA shall not divert any revenues, passengers, or other business from services (Route 95) under this Agreement to any other transportation operation of MTA.

28. <u>Americans with Disabilities Act (ADA) Compliance</u>. MTA shall assume full responsibility and liability associated with ADA compliance associated with provision of this contracted service. It is the understanding of both Parties that this service is a limited intercity commute route, not requiring complementary paratransit services.

MTA shall provide a fully-accessible fixed-route service including well-maintained wheelchair devices, tiedowns, communication systems, training, and related requirements identified by the Federal Transit Administration. County will assume no liability for failure by MTA to satisfy these requirements. County has entered this Agreement with the understanding that MTA will fully comply with the ADA.

29. <u>Public Information Services</u>. MTA shall provide public telephone services Monday through Friday, between 8:00 AM and 5:00 PM in accessible formats. MTA shall also provide a telephone answering system to record messages on weekends and off-hours and to provide recorded information.

30. <u>Emergency Procedures</u>. In the event of a declared local emergency, upon the request of County, MTA shall make transportation resources available to the degree possible for emergency assistance.

Emergency uses of transportation may include evacuation, delivery of food and supplies, transportation of injured and movement of people to food, shelter and medical services. MTA may be directed by County to provide staff on a "stand-by" basis that are ready to respond, at any time, during a declared emergency for the above purposes. Emergency and "stand-by" services shall be reimbursed on an "actual-cost" basis upon documentation of costs and needs.

Costs incurred under this section are considered outside the "Base Amount" funding of this agreement.

31. <u>Additional Services</u>. Additional services outside the description and level of services indicated in this Agreement may be considered. Any additional services shall be authorized in writing and in advance of service delivery by MTA and County. Additional services will then be paid for by County on an individual occurrence (i.e., case-by-case) basis. The estimated number of service hours and related costs associated with any requested additional services shall be mutually determined prior to service performance and not be exceeded by MTA.

County's Transit Systems Manager is authorized to obtain additional services up to an aggregate of 10% of this Agreement's Maximum Obligation. Otherwise, an Agreement amendment must be approved by the Sonoma County Board of Supervisors. It is understood that County is free to obtain additional services from sources other than MTA, but only after consultation and negotiation with MTA.

32. <u>Disputes</u>. Except as otherwise provided in this Agreement, any dispute concerning a question of fact arising under this Agreement that is not disposed of by agreement shall be decided by the County Transportation and Public Works Director ("Director") or the Director's designee.

The Director shall reduce his or her decision to writing and mail or otherwise furnish a copy thereof to MTA. The Director's decision shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal or administrative or judicial proceeding under this clause, MTA shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, MTA shall proceed diligently with the performance of this Agreement and in accordance with the Director's decision.

This clause does not preclude consideration of law questions in connection with decisions provided for in this clause, provided that nothing in this Agreement shall be construed as making final the decision of administrative official, representative, or board on a question of law.

33. <u>Termination</u>.

A. <u>Termination Without Cause</u>. County shall have the right, in its sole discretion, to terminate this Agreement at any time and without cause, by giving ninety (90) days' written notice to MTA. In the event of termination without cause, County shall pay MTA for services rendered to that date.

B. <u>Termination for Default</u>. If MTA fails to deliver or perform services or to comply with any provision of this Agreement, County may terminate this Agreement. County shall serve a written notice of termination for cause on MTA, setting forth the MTA default. MTA will only be paid for services and supplies delivered and accepted as performed in the manner set forth in this Agreement, and in accordance with the Route Deficit and Maximum Obligation provisions herein.

If County subsequently determines that MTA had an excusable reason for not performing, such as a strike, fire, or other events not the fault of or are beyond the control of MTA, County, after setting up a new delivery of performance schedule, may allow MTA to continue work or treat the termination as a termination for convenience.

C. <u>Opportunity to Cure</u>. In the case of a termination for breach or default, County, in its sole discretion, may allow MTA a period of time in which to cure the defect. In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions. If a satisfactory remedy is not reached within the time period, County shall have the right to terminate without further obligation to MTA. Any such termination for default shall not in any way operate to preclude County from also pursuing all available remedies against MTA and its sureties for said breach or default.

D. <u>Waiver of Remedies for Any Breach</u>. In the event that County elects to waive its remedies for any breach or default by MTA of any covenant, term, or condition of this Agreement, such waiver by County shall not limit County's remedies for any succeeding breach of that or of any other term, covenant, or condition of this Agreement.

34. <u>13(c) Obligations</u>. MTA agrees to comply with the labor protection obligations of County pursuant to Section 13(c) of the Federal Transit Act (49 U.S.C. Section 5333(b)), as set forth in the 13(c) protective conditions attached to this Agreement as Exhibit "C." MTA shall be liable for

any 13(c) claims or obligations that are created by acts or omissions of MTA that are not specifically directed by County. County will be responsible for 13(c) claims resulting from its acts or omissions, or actions taken by MTA pursuant to County's specific direction. MTA shall cooperate with County in the resolution or defense of 13(c) claims or disputes for which County has responsibility related to this Agreement and services.

MTA shall not take any action which is contrary to the interests of County under 13(c) or its 13(c) protective conditions relating to the termination of services under this Agreement, any future transition to another service provider, or any other action or event relating to this Agreement. If MTA fails to comply with this obligation, MTA shall be liable for any costs incurred by County associated with any 13(c) claims or disputes.

35. <u>Standard of Care</u>. County has relied upon MTA's representations regarding its professional ability and training as a material inducement to enter into this Agreement. MTA hereby warrants that all its services will be performed in accordance with generally accepted professional practices and standards as well as the requirements of applicable federal, state, and local laws, it being understood that County's acceptance of MTA's services shall not operate as a waiver or release.

36. <u>School Bus Operations</u>. Pursuant to 69 U.S.C. 5323(f) and 49 CFR Part 205, recipients and subrecipients of FTA assistance may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators unless qualified under specified exemptions. When operating exclusive school bus service under an allowable exemption, recipients and subrecipients may not use federally-funded equipment, vehicles, or facilities.

37. Drug and Alcohol Testing. MTA agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 655, produce any documentation necessary to establish its compliance with Part 655, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency of California, or County, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Part 655 and review the testing process. MTA agrees further to certify annually its compliance with Part 655 before March 15 and to submit the Management Information System (MIS) reports before March 15 to County Transit Systems Manager and FTA Office of Safety and Security. To certify compliance, MTA shall use the "Substance Abuse Certifications" in the "Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements," which is published annually in the Federal Register.

38. <u>Binding Agreement</u>. All Parties hereto acknowledge that it or they are represented by an attorney; that it or they have had an opportunity to discuss this Agreement with their attorney; and it or they are fully aware of the contents of this Agreement and acknowledge that it is a legal and binding agreement.

39. <u>Further Acts</u>. The Parties shall execute and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

40. <u>Applicable Law and Forum</u>. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the forum nearest to the city of Santa Rosa, in the County of Sonoma.

41. <u>Construction</u>. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation or law. The Parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. MTA and County acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. MTA and County acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

42. <u>No Waiver</u>. The waiver by County of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

43. <u>Captions</u>. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

44. <u>Time of Essence</u>. Time is and shall be of the essence of this Agreement and every provision hereof.

45. <u>Counterparts</u>. This Agreement may be executed in counterparts or by facsimile.

46. <u>Recitals</u>. The Recitals set forth above are true and correct.

47. <u>Incorporation of Exhibits</u>. All Exhibits hereto are incorporated as if fully set forth herein by this reference.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

MENDOCINO TRANSIT AUTHORITY	
JOINT POWERS AGENCY	

By:_____

Name:_____

Date:

APPROVED AS TO FORM FOR MTA:

By:

APPROVED AS TO COUNTY: COUNTY OF SONOMA

CERTIFICATES OF INSURANCE ON FILE:

By:_____ Department Head

Date:

APPROVED AS TO FORM FOR COUNTY:

By: _____ County Counsel

Date: _____

APPROVED AS TO SUBSTANCE:

By:_____

Chair Board of Supervisors

Date:

ATTEST:

Clerk of the Board of Supervisors