



DATE: January 5, 1987

TO: Patrick G. Salerno
County Manager

FROM: Michael Harbour
Director, Chatham Area Transit Authority

SUBJECT: Transit Service Contract

PURPOSE

To enter into a contract with Chatham County for provision of transit services.

BACKGROUND

A contract between the Chatham Area Transit Authority and Chatham County is attached. The contract provides for the payment of funds by Chatham County to CAT.

FUNDING

The funding for CAT has been approved by Chatham County.

RECOMMENDATION

Approval of the resolution.

MH:wnh

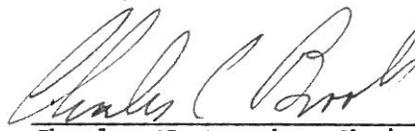
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RESOLUTION OF THE CHATHAM AREA TRANSIT AUTHORITY
TO ENTER INTO A CONTRACT WITH CHATHAM COUNTY
TO PROVIDE TRANSIT SERVICE
WITHIN THE SPECIAL DISTRICT DESIGNATED BY THE COUNTY

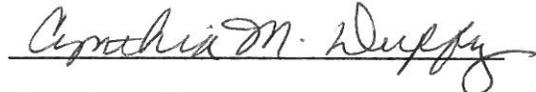
WHEREAS, the Chatham Area Transit Authority is authorized to provide transit service within a special district designated by the County,

NOW THEREFORE, be it hereby resolved that the Chairman is authorized to sign the attached contract with Chatham County.

THIS the 9th day of January, 1987.

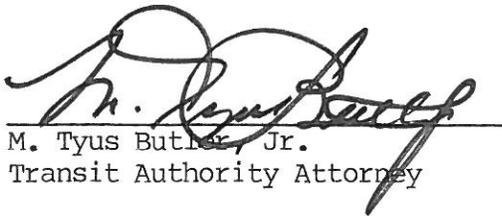


Charles Brooks, Chairman
Chatham Area Transit Authority



Secretary/Treasurer
Chatham Area Transit Authority

Approved as to form and
legality



M. Tyus Butler, Jr.
Transit Authority Attorney

CONTRACT

THIS AGREEMENT made this the 9th day of January, 1987 by and between Chatham County, a political subdivision of the State of Georgia (hereinafter referred to as the "County"), and the Chatham Area Transit Authority, a duly created and acting body corporate and politic of the State of Georgia (hereinafter referred to as the "Transit Authority");

W I T N E S S E T H:

WHEREAS, a transit system is essential to the welfare of all citizens of Chatham County; and

WHEREAS, public expenditures for mass transit services represent a constructive and essential investment in the future of Chatham County; and

WHEREAS, it is essential that the rendition of transit services be through a centrally located, managed and operated organization; and

WHEREAS, the Chatham Area Transit Authority is authorized by the "Chatham Area Transit Authority Act of 1986", approved March 28, 1986 (Georgia Laws 1986, p. 5083) to perform such service.

NOW THEREFORE, for and in consideration of the sums to be paid by the County to the Transit Authority, and for mutual considerations simultaneously moving between the parties hereto, it is hereto, stipulated and agreed as follows:

I. The County hereby engages the Transit Authority to

provide transit services within a special district designated by the County. The Transit Authority agrees to supply such services in an efficient and economical manner.

II. The terms of this agreement shall be for one year, commencing on January 9, 1987 and ending on December 31, 1987, unless extended on a year to year basis as hereafter provided.

III. This agreement is based upon the County approving a one year operating and capital budget of the Transit Authority. The renewal of this agreement shall be based upon the County's approval of the operating and capital budget of the Transit Authority for succeeding annual periods, which budget shall be submitted to the County for its consideration and approval at such time and in such manner as the County shall direct. In the event that the budget of the Transit Authority for any fiscal year (January - December) shall not be approved by the County, then at the end of the then current fiscal year, this agreement shall terminate and obligations and responsibilities of the parties each to the other shall cease.

IV. Any contractual obligations or liabilities entered into or assumed by the Transit Authority in connection with the management or operation of a transit system in Chatham County shall be binding upon the Transit Authority only.

V. The County shall have the right at any time, to inspect, examine, or monitor the operations of the Transit Authority and such inspection may include, but not be limited to,

a review of the Transit Authority's buses, personal, equipment, books, records, accounts and other data as may be deemed appropriate by the County.

VI. In the execution of the obligations and responsibilities inherent in this agreement, the Transit Authority shall cooperate with all the departments and agencies of the local, state and federal government having jurisdiction over the rendering of transit services.

VII. Under this agreement the Transit Authority shall operate as an independent contractor and shall not be construed as the agent of the County in the management and operation of its business. The Transit Authority shall indemnify and hold harmless the Chatham County Board of Commissioners, Chatham County, and County officers, agents and employees, and such indemnification shall include, but not be limited to any and all claims, demands, liability, expenses, damages or loss of any kind whatsoever arising out of or resulting from the performance of this agreement.

VIII. In conjunction with the performance of the services herein contracted for, the County shall pay from time to time as it deems appropriate for services rendered to the County provided, that the cumulative total of such payments for any fiscal year shall not be greater than the amount of cash proceeds received from the special district as levied by the County during any fiscal year and/or any additional funds budgeted by the County for transit services; provided further, however, that the

County shall not be required to pay to the transit authority all of the cash proceeds received from the special district and any additional funds budgeted by the County for transit services in any fiscal year if the County determines that all such funds are not needed by the Transit Authority; provided further, however, that during the first year of this agreement the County may make such payments to the Transit Authority in the manner it deems necessary and appropriate to initiate the operation of the Transit Authority.

IX. The Transit Authority shall cause the books and records of the authority to be audited annually by a firm of certified public accountants. The audit may be included within the County's overall audit as part of the single audit concept at the option of the County. The fee to be charged for such audit shall be paid for from the Transit Authority's funds.

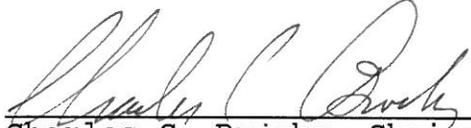
X. This agreement may be terminated by the County for cause if the Transit Authority shall breach any of the provisions of this agreement. Notice of the breach shall be furnished to the Transit Authority in writing and the Transit Authority shall have a reasonable period of time thereafter within which to rectify said breach before the County may terminate this agreement.

XI. This agreement may be terminated by the County without cause at the end of any fiscal year.

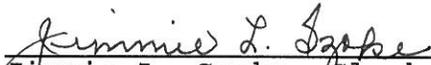
XII. This agreement represents the entire agreement between the parties and may not be modified or amended except by

written agreement of the parties.

IN WITNESS WHEREOF, the parties hereunto have executed the foregoing agreement the day and year first above written.

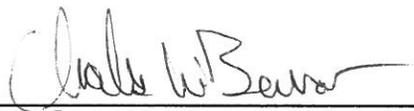


Charles C. Brooks, Chairman
Chatham County Commission



Jimmie L. Szoke, Clerk
Chatham County Commission

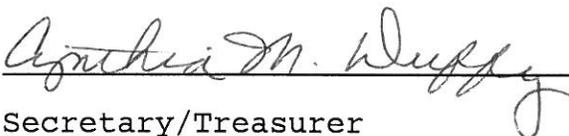
Approved as to form and legality:



Charles W. Barrow
Chatham County Attorney



Charles C. Brooks, Chairman
Chatham Area Transit Authority



Secretary/Treasurer
Chatham Area Transit Authority

Approved as to form and legality:



M. Tyus Butler, Jr.
Transit Authority Attorney