



MEMORANDUM OF AGREEMENT

**COUNTY OF GREGG §
STATE OF TEXAS §
 §**

THIS AGREEMENT is made by and between **LONGVIEW TRANSIT SYSTEM, INC.**, hereinafter referred to as "Longview Transit" and the **EAST TEXAS COUNCIL OF GOVERNMENTS RURAL TRANSIT DISTRICT**, hereinafter referred to as "ETCOG".

**I.
RECITALS**

ETCOG desires to enter into an Agreement with Longview Transit whereby Longview Transit shall provide all maintenance services for all public transportation vehicles owned by ETCOG and operating within the geographical area served by ETCOG as part of the Regional Transportation Coordination Plan. The services are set forth in Article II of this Agreement.

**II.
SCOPE OF SERVICES**

ETCOG agrees to assign vehicle maintenance authority to Longview Transit for the purpose of preventive maintenance, repair, rebuild, or modifications, as described in the attached Exhibit "B," to all ETCOG public transportation vehicles, as described in the attached Exhibit "A" and shall pay total allocated costs for all maintenance services performed.

Detailed information concerning each public transportation vehicle will include that which is shown on Exhibit "A" attached hereto and made a part hereof by this reference.

**III.
TERM**

The term of this Agreement shall be for a period of one year, beginning on October 1, 2007, and ending on September 30, 2008; provided, however, that this Agreement shall automatically renew each year for two additional one-year terms unless either party provides advance written notice to the other party that this

Agreement will not renew. In addition to any other authority to terminate this Agreement, either party can terminate this Agreement at any time after giving at least 90 days' advance written notice to the other party hereto.

IV. CONSIDERATION

In consideration of ETCOG fully and faithfully complying with all terms, provisions and stipulations of this Agreement, Longview Transit undertakes, covenants and agrees to service the maintenance needs of all public transportation vehicles owned by ETCOG and operating within the counties of ANDERSON, CAMP, CHEROKEE, GREGG, HARRISON, HENDERSON MARION, PANOLA, RAINS, RUSK, SMITH, UPSHUR, VAN ZANDT, WOOD, as said vehicles are set forth in the attached Exhibit "A". The scope of these maintenance services and ETCOG's payment obligations under this Agreement are further detailed in Exhibit "B" which is attached hereto and incorporated herein by this reference.

V. MISCELLANEOUS

All exhibits described in this Agreement are attached hereto and incorporated herein by reference for all purposes.

Misspelled words in this Agreement shall be read so as to have the meaning apparently intended by the parties.

The obligations and undertakings of each of the parties to this Agreement shall be performable at Longview, Gregg County, Texas. Venue for any action arising hereunder shall lie exclusively in Gregg County, Texas, for actions in state court and in the Eastern District of Texas, Tyler Division, for actions in federal court.

The laws of the State of Texas govern all of this Agreement.

This Agreement constitutes the entire agreement between Longview Transit and ETCOG and all negotiations and all understandings between the parties are merged herein.

This Agreement can be supplemented and/or amended only by a dated written document executed by both ETCOG and Longview Transit.

ETCOG shall not assign or transfer any right or interest in the Agreement, in whole or in part, without prior written approval of Longview Transit.

If any provision of this Agreement is declared or found to be illegal,

unenforceable or void, then both parties hereto shall be relieved of all obligations arising under such provision, but only to the extent that such provision is illegal, unenforceable or void, it being the intent and agreement of the parties that this Agreement shall be deemed amended by modifying such provision to the extent necessary to make it legal and enforceable while preserving its intent or, if that is not possible, by substituting therefor another provision that is legal and enforceable and achieves the same objective.

The parties agree that this Agreement shall not be construed in favor of or against any party on the basis that the party did or did not author this Agreement.

This Agreement and any related documents and any amendments hereto or thereto may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

This Agreement shall bind, and the benefits hereof shall inure to the respective parties hereto, their legal representatives, executors, administrators, successors, and assigns.

EXECUTED this _____ day of November, 2007.

EAST TEXAS COUNCIL OF GOVERNMENTS

By: _____

LONGVIEW TRANSIT SYSTEM, INC.

By: _____
Godfrey Offoegbu

ATTEST:

Chuck Ewings, Assistant City Manager

APPROVED AS TO FORM & LEGALITY:

Jim Finley, City Attorney

EXHIBIT "A"

Bus #	Vin #	Make	Tag #	
1	1	1FBJS31H9RHA74041	94 Ford Van	R86MGR
2	221	1FDXE45S95HA60221	2005 Ford W/ Lift	322GPS
3	240	1FDXE45S26HA12240	2006 Ford W/ Lift	323GPJ
4	241	1FDXE45S46HA12241	2006 Ford W/ Lift	444KJF
5	242	1FDXE45S66HA12242	2006 Ford W/ Lift	324GPJ
6	243	1FDXE45S86HA12243	2006 Ford W/ Lift	490GPJ
7	244	1FDXE45SX6HA12244	2006 Ford W/ Lift	489GPJ
8	245	1FDXE45S16HA12245	2006 Ford W/ Lift	488GPJ
9	247	1FDWE30S0WHC14247	1998 Eldorado W/ Lift	U73589
10	304	1FDXE45S33HA44304	2003 Ford W/ Lift	4SSKL
11	305	1FDXE45S53HA44305	2003 Ford W/ Lift	5SSKL
12	306	1FDXE45S73HA44306	2003 Ford W/ Lift	7SSKL
13	307	1FDXE45S93HA44307	2003 Ford W/ Lift	6SSKL
14	308	1FDXE45SO3HA44308	2003 Ford W/ Lift	9SSKL
15	309	1FDXE45S23HA44309	2003 Ford W/ Lift	8SSKL
16	312	1FMDA31X5SZA00677	95 Ford Minivan	6TDTT
17	320	1FDSE35L2YHC01809	2001 Ford Van W/ Lift	U76936
18	324	1FDJE30G3RHB36962	94 Ford SW Van	9VXBD
19	460	1FDXE45S14HA17460	2004 Ford W/ Lift	X73KWN
20	474	1FDXE45S14HA17474	2004 Ford W/ Lift	WO6SBS
21	478	1FDXE45S94HA17478	2004 Ford W/ Lift	WO7SBS
22	479	1FDXE45S04HA17479	2004 Ford W/ Lift	X74KWN
23	508	1FDXE45S56HA71508	2006 Ford W/ Lift	445KJF
24	509	1FDXE45S76HA71509	2006 Ford W/ Lift	487GPJ
25	525	1GKFG15R4W1084009	98 GMC Van	B27RLF
26	527	1FDWE30S9WHC14246	98 Ford Eldorado Van	MO1DLZ
27	528	1FBSS31L1XHA19640	99 Ford	U73590
28	529	1FDWE35S82HA07978	2002 Ford	N90NRR
29	530	1FDKE30G9SHA29179	1995 Ford	U73551
30	720	1FDSE35L6YHC01814	2001 Ford Van W/ Lift	U76937
31	823	1FDWE35S52HA07971	2002 Ford W/ Lift	N92NRR
32	824	1FDWE35S72HA07972	2002 Ford W/ Lift	N93NRR
33	825	1FDWE35S93HA07973	2002 Ford W/ Lift	N94NRR
34	826	1FDWE35S02HA07974	2002 Ford W/ Lift	N91NRR
35	827	1FDWE35SX2HA07979	2002 Ford W/ Lift	6SSJR
36	975	1FDWE35S22HA07975	2002 Ford W/ Lift	N95NRR
37	977	1FDWE35S62HA07977	2002 Ford W/ Lift	N96NRR

EXHIBIT "B"

ETCOG is the rural public transportation provider in the East Texas region. ETCOG owns approximately 38 vehicles in the rural fleet and provides public transportation services within 14,000 square mile region. As part of the Regional Coordination Plan developed by the Regional Transportation Coordination Council, the East Texas Council of Governments will coordinate maintenance services for their regional fleet with Longview Transit.

As part of this Agreement, ETCOG shall assign maintenance authority to Longview Transit for the purpose of preventive maintenance, repair, rebuild, or modifications to all ETCOG owned vehicles operated within the counties of ANDERSON, CAMP, CHEROKEE, HARRISON, HENDERSON MARION, PANOLA, RAINS, RUSK, SMITH, UPSHUR, VAN ZANDT, WOOD and GREGG counties. Longview Transit shall direct all maintenance activities associated with said vehicles to insure maximum vehicle availability, reliability, and safety including any loaner vehicle program.

Longview Transit shall be responsible for the oversight of a preventive maintenance program providing the required maintenance services as recommended by the Original Equipment Manufacturer, including engine, transmission, air conditioning, brakes systems, suspension systems, wheelchair lift systems, and other components or systems as required to maintaining ETCOG's fleet.

Longview Transit will provide all maintenance services based upon the total allocated costs of performing those services each year. The shop rate will be adjusted up or down each October 1st based upon the total allocated costs of providing maintenance services. The shop rate for services beginning on October 1, 2007, to September 30, 2008, will be set at \$50.00 per shop hour.

All parts and supplies will be provided at Longview Transit's cost of each part, plus the allocated cost of purchasing and/or stocking fees associated with each part. Parts will not have any mark-up allocated for any type of profit. The current price adjustment for parts purchased from October 1, 2007, to September 30, 2008, inclusive, will be set at 4.9% for each part.

Longview Transit will not perform major repairs or replacement of components without the approval of ETCOG staff for any repair over \$2,500.00. Email approval from ETCOG staff will be considered sufficient.

In the event a required repair must be sent to an outside maintenance facility, Longview Transit will follow all established purchasing guidelines as required by the Federal Transportation Administration and the Texas Department of Transportation. All warrant repairs will be sent to their respective warranty centers.

All invoices for services shall be paid within 30 days after receipt of service. Payments not received within 30 days shall include an additional 1.5% per month late charge. Longview Transit may, at its option, terminate all maintenance services in the event of a non-payment for any service if said non-payment lasts for 60 days or more after the date service was received.