

TRANSIT AGREEMENT
BETWEEN
CITY OF KENNER
AND
REGIONAL TRANSIT AUTHORITY

SCANNED
& LINKED

I.

Preamble

THIS AGREEMENT between City of Kenner (hereinafter sometimes described as "City", (a political subdivision of the State of Louisiana), herein represented by Aaron F. Broussard, its Mayor, duly authorized to execute this Agreement by Resolution No. B-5006, of the Council of the City of Kenner dated December 20, 1984, a copy of which is attached hereto, and the Regional Transit Authority (hereinafter sometimes described as "RTA", a political subdivision of the State of Louisiana, created by Act 439 of 1979 and authorized in the Revised Statutes of Louisiana at 48:1651, et seq.), herein represented by Sam A. LeBlanc, III, its Chairman, duly authorized by a Resolution of its Board of Directors, a copy of which is attached hereto.

W I T N E S S E T H:

WHEREAS the provision of transit services is essential to the fullest possible development of the City's cultural, social, economic, educational, commercial, and industrial resources; and

WHEREAS extensive and repeated studies of problems of local and area transit over many years have continually indicated that an enduring solution of problems of transit organization and finance lies in a regional approach; and

WHEREAS the Regional Transit Authority was created by Act

439 of the 1979 Regular Session of the Louisiana Legislature to promote concerted governmental action toward the alleviation of serious traffic conditions and congestion within the City by encouraging local governments to participate in the activities of a regional mass transportation authority; and

WHEREAS the RTA's powers and authority were broadened by the adoption of Act 553 of the 1982 Regular Session of the Louisiana Legislature to enhance its ability to address long-term transit needs in the metropolitan area;

NOW THEREFORE, for the mutual and reciprocal benefits and under the conditions hereinafter set forth, the City and the RTA do agree as follows:

II.

Consideration

For and in consideration of the following reciprocal covenants, the RTA agrees to:

- a) Act in place of the City of Kenner and the Jefferson Parish Transportation Advisory Committee, Jefferson Parish Planning Department, Public Service Commission and Regional Planning Commission, in matters relating to transit;
- b) Assume responsibility for certain transit related contracts on behalf of the City as listed in Attachment "A", and existing City transit routes;
- c) Upon expiration of such contracts, if any, to negotiate any such contracts in its own name and in accordance with law as the RTA in its discretion may decide are

necessary or desirable for the operation of transit services;

- d) Conduct transit planning and grant application activities;
- e) Perform certain transit related functions previously performed by the City of Kenner and/or the Jefferson Parish Transportation Advisory Committee and the Jefferson Parish Planning Department and Regional Planning Commission;
- f) Assume ownership and operation of all City owned transit and transit-related properties and equipment in accordance with Attachment "B", except for existing transportation funds as listed in Attachment "C";
- g) Perform other services and tasks consistent with its statutory authority and as set forth hereinafter and in Attachment "A" hereto.

The City agrees to transfer and deliver to the RTA any funds budgeted specifically to current transit operations at the time of execution of this Agreement, or property dedicated to or designated for transit or transit-related activities and any funds or property which may be designated to or dedicated to transit or transit-related activities. This agreement is not a franchise.

III.

Obligations of the RTA

1. Assumption of Responsibility for Contracts

The RTA shall assume responsibility for certain transit related contracts, a list of which is attached hereto as Attachment "A", shall transmit funds received from the City to the appropriate parties pursuant to said contracts, and shall assure compliance with the terms and conditions of said contracts.

The City and RTA shall execute such documents as may be necessary to accomplish an assignment of those contracts to the RTA.

At the expiration of any such contracts assigned or administered, the RTA shall negotiate in its own name the renewal of any such contracts it deems advisable in accordance with law.

2. Transit Planning

The RTA shall perform short and long range transit planning for the City of Kenner and shall comply with applicable state and/or federal planning requirements. Short and long range planning shall include but not be limited to:

- a) Operation planning for the transit system.
- b) The development of the transit element of the Transportation Improvement Program, Transportation System Management Element, Transit Development Program, Overall Unified Work Program, and the 5-Year Capital Program.
- c) The planning for transit related capital improvements to the transit system.
- d) Alternative analysis and corridor planning.

3. Grant Applications

The RTA is the City's Designated Recipient and shall admin-

ister all grantee contractual obligations with respect to any and all such planning, operating, and capital assistance grants (state and/or federal) as may be designated and/or dedicated for use in connection with the transit system. Furthermore, RTA hereby accepts from and after the date of transfer of such grants from the City to RTA recipient responsibility for the UMTA grants as reflected in Attachment "D" hereto. VST
OK

4. Reports

The RTA shall submit the following reports to the Mayor and the Finance Director and the City Council:

- a) An annual budget of expenditures by category on a month-by-month basis on or before April 1 of each year.
- b) Monthly financial reports for the services performed under the terms of this Agreement within thirty (30) days after the end of each month. Each financial report shall show the cumulative results for the current year, the cumulative results for the same period of the previous year, and projected operating results on a month-by-month basis for the following year. Financial accounts shall be maintained by the RTA in accordance with generally accepted principles of accounting.
- c) Copies of the RTA's annual audit and management letter, containing an appropriate certificate by the CPA firm conducting said audit and accounting

for revenues, expenditures, and reserve funds pursuant to this Agreement.

5. RTA's Auditors and City's Right to Inspect Books

- a) The RTA shall use independent certified public accountants to audit its financial statements.
- b) The RTA's books shall be open for inspection and audit by the City during the RTA's normal business hours.

6. Transit Reserve Fund

The RTA shall create a transit reserve fund which shall receive any funds collected from the City for the administration and/or operation of the transit system. Any funds so transferred to the transit reserve fund shall be invested by the RTA in interest bearing accounts and in accordance with State Law, with appropriate credits for any such interest as may be earned. Such funds shall be used by the RTA as needed for operation for the benefit of the City of Kenner.

7. Provision of Transit Services

The parties hereto acknowledge that RTA and its contractors, ^{NOT} subcontractors and designees shall be exclusively responsible ⁱⁿ for the operation of transit services within the City of Kenner ^{KOR} in accordance with RTA's statutory authority and powers pursuant to La. R.S. 48:1651, et seq.; and that the RTA shall, either directly or through contract, with a competent management firm, provide for the most efficient and cost-effective method for the provision of services pursuant to this contract for the transit system in the City of Kenner. The City concurs in RTA's selection

of ATE Management & Service Co., Inc. (ATE) to provide transit services. RTA shall require ATE to furnish certificates of insurance from companies licensed to do business in Louisiana for the following purposes and in the following amounts: one million (\$1,000,000) dollars to protect RTA against dishonesty or fraudulent acts of ATE employees; three million (\$3,000,000) dollars coverage for errors and omissions; and twenty million (\$20,000,000) dollars casualty coverage.

RTA, through its Executive Director, shall establish appropriate systems of controls to insure proper accounting for all financial transactions, purchases, appropriations and overall budget conformance in the management and operation of the transit system by RTA's contractors and subcontractors. RTA, through its Executive Director, shall also establish appropriate monitoring systems to insure compliance with the Equal Employment Opportunity and Disadvantaged Business Enterprise Program as set forth in this agreement. *(Minority) in N.O.R. OK, LST*
In N.O.R. A quarterly report is furnished by RTA regarding compliance.

8. Indemnification *P8. N.O.R. OK, LST*

The RTA shall indemnify and hold harmless the City against any liability for acts or omissions by RTA, its officers, agents, employees, contractors, subcontractors, and contractors' subcontractors, officers, agents and employees outside the course and scope of its authority pursuant to this contract. RTA shall furnish certificates of insurance from companies licensed to do business in Louisiana for coverage of such liability for which the City may be ultimately responsible or liable. *OK, LST*

Such insurance shall be in the amount of \$5,000,000.00.

9. Alteration of Routes and Fares

The RTA hereby acknowledges the existing routes over which transit services presently operate within the City of Kenner. Pursuant to the RTA Act, La. R.S. 48:1657(D), prior to determining the basic routes over which the transit system will operate, the RTA shall hold at least one public hearing within the City

of Kenner. *Who will approve the alterations? - See p10 N.A.R.*

IV.

Obligations of the City

1. The City shall transfer ownership to the RTA on or before March 1, 1985, of *OK* all transit related property (movable as well as immovable) owned by the City, and used by it or by its operators for transit purposes *DU MARK* or on order and paid for wholly or in part with federal funds, and transit plant properties owned by operators and subsequently acquired by the City, if any, for use by the RTA or its contractors and subcontractors in connection with the operation of the transit system, including but not exclusively limited to those items as listed in Attachment "B".

2. The City shall indemnify and hold harmless the RTA and each of its constituent member parishes for any losses arising out of the City's action or failure to act pursuant to the obligations assumed by it under the provisions of this contract and the transit-related contracts listed in Attachment "A" hereof; for all suits and actions that may be brought against the RTA by reason of any injury or alleged injury to the property or person of another, where the cause of action arises out of the negligence or fault or on account of any act of commission or

omission on the part of Louisiana Transit Company, Inc., the City, or its employees in supplying the services provided for herein; and for any shortage of funds actually received by the RTA below the amount of funds budgeted by the City for the RTA in accordance with the provisions of V-4-c hereafter. *See M.O.K. #4*

3. The City shall transfer to the RTA all unexpended funds acquired from any source designated and/or dedicated for transit purposes consistent with the RTA's obligations specified in this agreement except for previous fiscal years' funds as specified in Section II of this agreement. The City shall transfer these funds to the RTA within thirty (30) days of the effective date of this agreement. Thereafter, the City shall monthly, within thirty (30) days of the date of receipt of any funds dedicated and/or designated to transit, transfer to the RTA all said funds which have been collected, or as otherwise provided in accordance with a payment schedule mutually agreeable to the parties, which schedule may be attached hereto and made a part hereof as Attachment "E". Transfer of these funds constitutes certification by the City that these funds are not subject to recapture due to action(s) of the City prior to the date transfer of these funds takes place. *Not in M.O.K*

4. The RTA may use any funds transferred by the City to close out obligations that may still exist between the City and its operator, Louisiana Transit Company, Inc., should the need arise. The RTA by doing this, however, unless specified herein, is not assuming liabilities of the City and/or its operators. *Not in M.O.K*

5. The City shall cooperate fully with RTA to secure local,

state and/or federal funds to fund transit operations on a continuing basis in the City of Kenner, which funds shall be dedicated and/or designated to transit.

6. The City hereby acknowledges that RTA is the official entity to apply for, receive, and administer any and all federal, state or other grant funds related to the operation of public transit services in the City of Kenner, for purposes including but not limited to Section 5(b)(1) of the Urban Mass Transportation Act of 1964, as amended. Any such funds received for use in the operation of the City's transit services may be used only in connection with the provision of transit services for the benefit of the City of Kenner, except as otherwise specifically authorized by resolution of the City Council.

7. The City shall issue no new permits or franchises to operate transit of any nature that would compete with the authority of the RTA during the pendency of this Contract, except with written permission of the RTA.

8. The City hereby agrees that RTA shall be substituted as grant recipient on all Urban Mass Transportation Administration (UMTA) grants and all grant applications held by the City (including those grants listed in Attachment "D" hereto) provided RTA will provide written assurances assuming responsibility for said grants, including but not limited to the following: (a) to operate said transit-related properties for mass transportation purposes; (b) to account for project equipment, its removal from transit, and reimbursement to UMTA; and (c) to operate no school or charter bus services except in accordance with UMTA

law and regulations, as service incidental to the operation of a public transit system.

9. The City agrees to execute and deliver to RTA such acts of sale, bills of sale, assignments of certificates of title to motor vehicles, assignments of contracts, agreements or leases and any and all other documents or instruments necessary to transfer ownership of all transit-related property.

V.

General Terms and Conditions

1. Effective Date

This Agreement will be effective on January 1, 1985, and shall continue in full force and effect until terminated in accordance with the provisions of this Agreement.

2. Termination

- a) This Agreement may be terminated at any time from the effective date of this Agreement by the City or the RTA for any reason by providing 6 months notice to the other party in writing.
- b) Should either party hereto default in the performance of any of its undertakings herein, and should such default continue for a period of 45 days after written notice specifying the default has been sent to the defaulting party, then this agreement shall automatically terminate 30 days after expiration of such 45-day period; provided however, in the event such specified default has been cured to the satisfaction of the non-defaulting

party, such non-defaulting party shall send a written notice to that effect to the other party on or before the expiration of said 45-day period. Nothing herein shall be construed to limit the authority of the parties to extend any time periods set forth in this subparagraph.

- c) If the City or the RTA should terminate this Agreement, the City shall assume all written and legal commitments pertaining to the City of Kenner that the RTA has outstanding that were entered into in good faith in anticipation of carrying out or to carry out the terms of this Agreement, including contracts, liabilities and similar items relating to the operation and administration of the transit system and/or its capital improvements, provided that any contract entered into by RTA with any entity containing a cancellation clause requiring in excess of six (6) month's notice must have prior approval of the Kenner Council. RTA shall return to the City at the earliest possible time following termination of this Agreement all transit-related property in possession of or on order by the RTA and owned by City as of the date of termination, as well as all RTA-owned property purchased with City funds. Provided further that all unexpended funds appropriated or transferred to RTA shall be returned to City

within thirty (30) days of the final accounting of RTA's books of accounts. Said final accounting shall commence within ten (10) days of the termination of this Agreement and shall be completed in a reasonable time but shall not exceed sixty (60) days.

3. Sources of Financing

The funds to be provided under this Agreement will be financed from the following sources:

- a) Fares collected from regular transit service.
- b) Contract fees for special transit services, including charter, sightseeing, etc.
- c) Miscellaneous revenues, including transit advertising, etc.
- d) Whatever local, state, and/or federal funds may be obtainable for capital improvements and/or operating costs.
- e) Any revenues from taxes levied by the City and dedicated to and/or designated for transit.
- f) Any revenue appropriated from the general fund of the City for the discharge of the functions set forth or assumed in this Agreement.
- g) Any funds that RTA may obtain to perform transit services in the City of Kenner.

4. Appropriation Procedure

- a) On or before the 1st day of April of each year the City shall submit to the RTA estimates of the revenue yield that will be available from

taxes dedicated to transit during the coming calendar year.

- b) On or before the 1st day of May of each year, RTA shall submit a plan which reflects the proposed allocation of funds to the individual budget units of the RTA. Such budget units (consisting of Administration, Planning, Transit Equipment, and Operations) shall approximate the organizational units of operation of the Regional Transit Authority. The proposed plan shall be revised after June 1 to reflect the actual appropriation of the City to the Regional Transit Authority, and shall be presented to the Council for adoption on or before July 1. The Regional Transit Authority shall adhere to the approved plan and shall apply to the Council for a plan amendment if such becomes necessary. Funds shall not be transferred among budget units without such approval.
- c) On or before the first day of July of each year, the City shall appropriate to the RTA all funds derived from the taxes dedicated and/or designated to transit and any other funds received or to be received, designated and/or dedicated to transit.
- d) The City shall appropriate to the RTA such other funds as are agreed upon for the implementation

of this Agreement.

- e) Within sixty (60) days following the first day of July of each year, the RTA shall submit to the City an accounting by budget category of its administration of City transit funds during the previous calendar year.
- f) Within sixty (60) days following the first day of June 1 of each year, the RTA shall submit to the City an adopted budget of expenditures by category for the current calendar or fiscal year. Thereafter any deviations from said budget shall be reported to the Council as a part of the monthly reports required of RTA by Article III, Section 5 b) hereinabove.
- g) Within 30 days following the end of the current calendar year, the RTA shall give the Council a review and report of its operations for the preceding six months.

5. Amendment Procedure

This Agreement or the City's appropriation may be amended at any time by mutual consent of the parties, but then only in writing. Either party may initiate discussions of revision of any part of this Agreement or the City's appropriation to RTA by a written request to the other party stating the provision or provisions which it would like revised, the nature of the proposed revision, and the reasons therefor. Within thirty (30) days thereafter, the parties shall begin to negotiate the proposed

revision and shall endeavor in good faith to reach an agreement. Until the provisions of the revision are agreed upon, the then existing terms of this Agreement shall remain in full force and effect.

6. Equal Employment Opportunity

During the performance of this Agreement, the RTA agrees as follows:

- a) RTA will not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin. The RTA will take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, or national origin. Such action will include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The RTA and its subcontractors, if any, agree to post in conspicuous places available to employees and applicants for employment notices setting forth the provisions for this non-discrimination clause.
- b) The RTA shall, in all solicitations or advertisements for employees placed by or on behalf of the RTA or any subcontractor, state that all qualified applicants will receive consideration

for employment without regard to race, religion, color, sex, or national origin.

- c) The RTA shall send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or worker's representative of the RTA's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

7. Disadvantaged Business Enterprises

It is the policy of the City of Kenner that disadvantaged business enterprises shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with funds provided under this Agreement.

The RTA agrees to insure that disadvantaged business enterprises have maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with funds provided under this Agreement. The RTA shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of contracts.

8. Severability, Intent, and Assignability

Should any section of this Agreement or any part of any section be declared to be unconstitutional, invalid, or beyond the authority of either party to enter into or to carry out, such declaration shall not affect the validity of other sections or any part thereof not so declared unconstitutional, invalid,

or beyond the authority of either party to enter into or to carry out, and the remainder of this Agreement shall continue in full force and effect as though the portion declared unconstitutional, invalid, or beyond the authority of either party did not exist.

This Agreement is not intended to be a third party beneficiary contract and confers no rights upon anyone other than the City and the RTA as representatives of the public. Nothing herein shall constitute any imposition or acceptance of any personal obligation or liability not otherwise imposed by law upon or by any individual employed or associated with City or the RTA, or to prohibit the indemnification of any such individual in connection with any claim, action, suit or proceeding to which he is or may be made a party by reason of such employment or association, if otherwise allowed by law.

This Agreement shall not be assigned nor any interest therein transferred by either party without the prior written consent of the other party.

9. Notices

Any notices required or authorized hereunder shall be communicated by the use of registered or certified mail to or from the following:

For the City

Aaron F. Broussard
Mayor
City of Kenner
1801 Williams Blvd.
Kenner, Louisiana 70062

For the RTA

Chairman
Regional Transit Authority
1001 Howard Building
Suite 1600
New Orleans, Louisiana 70113

Copies of said notices shall be provided to the Council fiscal officer. Either party to this Agreement may designate another name or address for notice purposes by sending notification of such designation in accordance with the procedure set forth herein.

10. Force Majeure

In the event that RTA or the City shall be delayed, hindered in, or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, or because of the act, failure to act, or default of the other party, or other reason beyond their control, then performance of such act shall be excused for the period of the delay.

11. Public Referenda

The parties to this Agreement covenant that, notwithstanding the provisions of R.S. 48:1651, et seq., the RTA shall not call for a tax referendum without prior approval of the Kenner City Counsel.

IN WITNESS WHEREOF, the RTA, herein represented by Sam A. LeBlanc, III, its Chairman, and the City, hereby represented by Aaron F. Broussard, Mayor, have executed this Agreement this 27th day of December 1984, in multiple originals.

WITNESSES:

Thomas J. Lauer

Wilbur W. Irwin

REGIONAL TRANSIT AUTHORITY

BY: Sam A. LeBlanc, III
SAM A. LeBLANC, III, Chairman

CITY OF KENNER

BY: Aaron F. Broussard
AARON F. BROUSSARD, Mayor

ACKNOWLEDGEMENT

STATE OF LOUISIANA

PARISH OF

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified in and for the Parish of Jefferson, State of Louisiana, personally came and appeared SAM A. LeBLANC, III, to me known, who did declare and acknowledge to me, Notary, and the undersigned competent witnesses, that he is the Chairman of The Regional Transit Authority, a political subdivision of the State of Louisiana, that as such duly authorized officer, by and with the authority of the Board of Directors of The Regional Transit Authority, he signed and executed the foregoing instrument as the free and voluntary act and deed of The Regional Transit Authority, for and on behalf of the Regional Transit Authority and for the objects and purposes therein set forth.

IN WITNESS WHEREOF, the said appearer, the undersigned witnesses, and I, Notary, have signed this acknowledgement on this 27th day of December, 1984.

WITNESSES:

Thomas H. Laver Sam A. LeBlanc, III
SAM A. LeBLANC, III

William W. Iron

[Signature]
NOTARY PUBLIC

ACKNOWLEDGEMENT

STATE OF LOUISIANA

PARISH OF

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified in and for the Parish of Jefferson, State of Louisiana, personally came and appeared AARON F. BROUSSARD, to me known, who did declare and acknowledge to me, Notary, and the undersigned competent witnesses, that he is the Mayor of the City of Kenner, State of Louisiana, that as such duly authorized officer, by and with the authority of the City Council of the City of Kenner, he signed and executed the foregoing instrument as the free and voluntary act and deed of the City of Kenner, for and on behalf of the City of Kenner, and for the objects and purposes therein set forth.

IN WITNESS WHEREOF, the said appearer, the undersigned witnesses, and I, Notary, have signed this acknowledgement on this 21st day of December, 1984.

WITNESSES:

Thomas L. [Signature] Aaron F. BROUSSARD

William W. [Signature]

[Signature]
NOTARY PUBLIC

Attachment "A"

Contract between the City of Kenner and
Louisiana Transit Company, Inc. dated June 21,
1982. (See Exhibit "1")

AGREEMENT

AGREEMENT, entered into this 21 day of June, 1982, at the City of Kenner, Parish of Jefferson, State of Louisiana, by and between THE CITY OF KENNER, represented herein by Larry Hooper, Mayor, as authorized by Reslution of the City Council adopted on the 17th day of June, 1982, (hereinafter referred to as "THE CITY") and LOUISIANA TRANSIT COMPANY, INC., appearing herein through R. Kent Mitchell, its duly authorized President (hereinafter referred to as "LOUISIANA TRANSIT"),

WITNESSETH THAT:

The City and Louisiana Transit, for the considerations hereinafter provided, do mutually agree, with respect to the operation of the municipal bus system known as the "Kenner Loop" by Louisiana Transit, covering the route, and upon the schedule, set forth on Exhibit "A" hereunto annexed, including the maintenance of equipment, with buses provided by the City, under the terms and conditions as hereinafter provided, as follows:

I. The City Hereby Agrees To:

A. Furnish the necessary buses, including spares, required to operate an agreed upon schedule and route within the City of Kenner. Buses provided by the City must be approved by Louisiana Transit as being in good mechanical condition and compatible with existing buses of Louisiana Transit's fleet, and must have proper fare collection equipment, compatible with that of Louisiana Transit's fleet.

B. Provide adequate bodily injury and property damage liability insurance coverage, as well as fire, theft, and collision insurance coverage, with respect to all buses provided by The City. Louisiana Transit will be made a named insured on all such policies.

C. The City hereby agrees to and shall indemnify and save and hold harmless Louisiana Transit Company, Inc. from and against any and all claims in all ways or manners connected with Louisiana Transit Company, Inc.'s performance under this agreement, less and except as regards the provisions of Section II (B) and (C) of this agreement.

D. Pay to Louisiana Transit a guaranteed sum of THIRTY AND NO/100 (\$30.00) DOLLARS per bus hour operated, including time elapsed in trips between Louisiana Transit's Marahan garage and the route upon which service is to be furnished.

E. Increase the THIRTY AND NO/100 (\$30.00) DOLLARS per bus hour operated guarantee by FIVE CENTS (\$0.05) per bus hour operated for each ONE CENT (\$0.01) increase in the top-rated bus operator's hourly rate which is presently SEVEN AND 87/100 (\$7.87) DOLLARS per hour. Adjustments to rate, as guaranteed hereinabove, will be made effective with the effective date of the wage rate increase.

F. Increase the THIRTY AND NO/100 (\$30.00) DOLLARS per bus hour operated guarantee by FIVE CENTS (\$0.05) for each ONE CENT (\$0.01) increase in the net delivered price, including applicable taxes, which Louisiana Transit pays for #1 Diesel fuel, above the present base price of ONE AND 0926/10000 (\$1.0926) DOLLARS per gallon.

G. Guarantee a minimum of FIFTY-FIVE (55) bus hours operated per week multiplied by the number of buses required to operate the agreed upon bus schedule, excluding spare buses.

H. Pay all amounts due to Louisiana Transit monthly, within 15 days of receipt of invoice.

I. Divide, on a monthly basis, equally with Louisiana Transit any revenues collected from the operation of the agreed upon bus schedule which are to

excess of the hourly guarantee in effect at such time.

J. Pay for all accident damage to The City owned buses, either through The City's insurer, from a liable third party, or from The City's general funds.

II. Louisiana Transit Hereby Agrees To:

A. Provide bus operators, and the training thereof, to operate the agreed upon schedule and route.

B. Provide for the contribution and withholding of FICA taxes, Federal and state employment taxes, and transmittal of said taxes to the proper authorities, with respect to the personnel of Louisiana Transit employed pursuant to this Agreement.

C. Provide Worker's Compensation, group insurance and pension coverage for the personnel of Louisiana Transit employed pursuant to this Agreement.

D. Provide normal preventive bus maintenance and repairs, including parts, labor and supervision.

E. Provide washing and cleaning of buses.

F. Provide and furnish fuel and lubricating oil and greases.

G. Provide overall supervision and management services for the operation of the agreed upon bus schedule.

H. Provide tires for buses owned by The City, which tires will remain the property of Louisiana Transit and/or its tire supplier.

I. Provide scheduling and routing information service to the general public served by the agreed upon bus schedule.

J. Provide for the collection of fares, counting of monies collected, and bank messenger service.

K. Provide road service to the buses serving the agreed upon bus schedule.

L. Provide all necessary office supplies and professional fees necessary and essential to Louisiana Transit's fulfillment of this Agreement.

M. Provide storage space for buses, and the necessary utilities and special tools.

N. Provide an accounting to The City of all revenues received from the operation of the agreed upon bus schedule, and credit The City with same by deducting such bus revenues from the monthly billing rendered to the City of Kenner, all subject to Section I-1 above.

O. Provide accident prevention and reporting services.

P. Provide appropriate "bus stop" signs.

III. Term of Contract:

This Contract is for a basic term of THREE (3) years, commencing on the 1st day of July, 1982, and terminating THREE (3) years thereafter. However, either of the parties to this Contract may cancel or terminate same NINETY (90) days after having given the other party written notice of intention to terminate, CERTIFIED MAIL, RETURN RECEIPT REQUESTED.

IV. Liability for Delay of Service:

Louisiana Transit shall not be liable to The City for any failure, delay or interruption of service, nor for failure or delay in performance of any obligations under this Contract, due to strikes, lock-outs, acts

of God, hurricanes, floods, Government restrictions, enemy action, civil commotion, unavoidable casualties, or similar acts beyond the control of said Louisiana Transit. Should any delay or interruption of service occur over the causes of which Louisiana Transit has control, and if Louisiana Transit should fail to remedy any such delay or interruption within FIVE (5) days after receipt of written notice thereof from The City, the sole remedy available to The City shall be the option to immediately thereafter declare this Agreement terminated and the parties restored to the positions in which they were prior hereto.

V. Schedule and Routes:

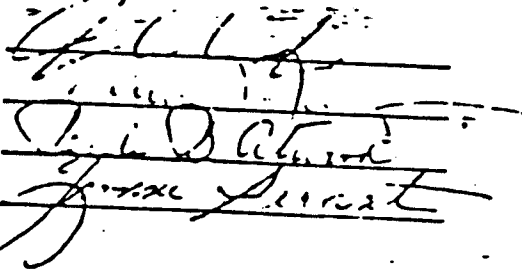
Changes in schedules to be operated, and any changes, extensions, discontinuations or additions to the initial schedule and route, may be made only by mutual written consent of The City and Louisiana Transit.

VI. Recognition of Labor Contract:

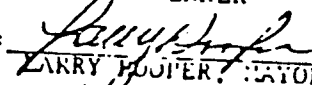
The parties hereto take cognizance of, and agree that priority shall be given to, the fact that Louisiana Transit operates under a union labor agreement and cannot violate the terms of said labor contract in order to fulfill this Agreement with The City.

This written Agreement constitutes the entire agreement the parties hereto; and any changes, additions, deletions or alterations shall be effective only upon the written agreement of both parties hereto.

WITNESSES:



THE CITY OF KENNER

BY: 
LARRY HOOVER, MAYOR

LOUISIANA TRANSIT COMPANY, INC.

BY: 
R. KENT MITCHELL, PRESIDENT

STATE OF LOUISIANA
PARISH OF JEFFERSON

BEFORE ME, the undersigned authority, duly commissioned and qualified in the Parish and State aforesaid, personally came and appeared:

LARRY HOOPER,

Mayor of the City of Kenner, authorized to act and acting in behalf of the City of Kenner by virtue of a resolution adopted by the City Council of The City of Kenner, dated June 17, 1982, who declared that he executed the foregoing Agreement as the free act and deed of The City of Kenner, for the objects and purposes therein expressed.


LARRY HOOPER, MAYOR

SWORN TO AND SUBSCRIBED, before me,
this 21 day of June, 1982.


NOTARY PUBLIC

STATE OF LOUISIANA
PARISH OF JEFFERSON

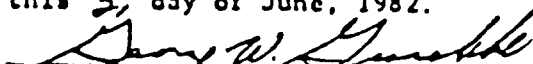
BEFORE ME, the undersigned authority, duly commissioned and qualified in the Parish and State aforesaid, personally came and appeared:

R. KENT MITCHELL,

the duly authorized President of Louisiana Transit Company, Inc., who declared that he executed the foregoing Agreement on behalf of Louisiana Transit Company, Inc., as the free act and deed of said Company, for the objects and purposes therein expressed:


R. KENT MITCHELL, PRESIDENT

SWORN TO AND SUBSCRIBED, before me,
this 21 day of June, 1982.


NOTARY PUBLIC

<u>BUS NUMBERS</u>	<u>NUMBER OF UNITS</u>	<u>MAKE</u>	<u>MODEL</u>	<u>YEAR NEW</u>	<u>YEAR ACQUIRED</u>
374	2	GMC	T6H-4523	1974	1974
5	1	GMC	TDH-4519	1966	1977

CITY OF KENNER PROPERTY

Attachment "C"

City of Kenner

As of

6-30-84

Reserve for Transportation Expenses

Fund Balance	\$414,314.00
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Attachment "D"

Attachment "E"