

AGREEMENT FOR SERVICES #348-S0510
AMENDMENT III

This Amendment III to that Agreement for Services #348-S0510, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Area Transit Management, Inc., a California Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 1679 Shop Street, (Mailing: P.O. Box 18400), South Lake Tahoe, CA 96151; (hereinafter referred to as "Contractor");

WITNESSETH

WHEREAS, Contractor has been engaged by County to provide "as requested" bus transportation services for clients of the Human Services Department, Social Services Division, in the South Lake Tahoe area in accordance with Agreement for Services #348-S0510, dated January 3, 2005, Amendment I, dated May 17, 2005, and Amendment II, dated January 30, 2007, incorporated herein and made by reference a part hereof; and

WHEREAS, the parties hereto have mutually agreed to increase compensation without extending the term, hereby amending **ARTICLE III – Compensation for Services** and

NOW THEREFORE, the parties do hereby agree that Agreement for Services #348-S0510 shall be amended a third time as follows:

ARTICLE III

Compensation for Services: For services provided herein, County agrees to pay Contractor monthly in arrears. Contractor shall submit monthly invoices no later than fifteen (15) days following the end of a "service month." For billing purposes, a "service month" shall be defined as a calendar month during which Contractor provides services in accordance with "Scope of Services."

Payment shall be made within thirty (30) days following County receipt and authorization of approved invoice(s). Contractor shall submit only original invoices. Photocopied or faxed invoices will not be accepted. Passes that have been purchased but not used shall be returned to Contractor monthly in exchange for current passes. For the purpose of this Agreement the billing rate(s) shall be as follows:

Item	Cost
Stage Monthly Pass	\$50
County Bus Plus	\$5
City Bus Plus	\$3
Special Needs Pass	\$1
10 Ride Bus Plus	\$25
10 Ride County Bus Plus Pass	\$45
10 Ride Stage	\$15
Tokens	\$1.50

The total amount of this Agreement, as amended, shall not exceed \$85,000.00 for the three (3) year period.

Except as herein amended, all other parts and sections of this Agreement #348-S0510 shall remain unchanged and in full force and effect.

Requesting Contract Administrator/Department Head Concurrence:

By: _____ Dated: _____
 John Litwinovich
 Human Services Director

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IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to that Agreement for Services #348-S0510 on the dates indicated below, the latest of which shall be deemed to be the effective date of this Amendment.

--- COUNTY OF EL DORADO ---

Dated: _____

By: _____
Chairman
Board of Supervisors
"County"

ATTEST:
Cindy Keck
Clerk of the Board of Supervisors

By: _____ Dated: _____
Deputy Clerk

-- CONTRACTOR --

Dated: _____

AREA TRANSIT MANAGEMENT INC.
A CALIFORNIA CORPORATION

By: _____
Andrew Morris, President
"Contractor"

By: _____
Corporate Secretary

Dated: _____

COPY

AGREEMENT FOR SERVICES #348-S0510
AMENDMENT II

This Amendment II to that Agreement for Services #348-S0510, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Area Transit Management, Inc., a California Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 1679 Shop Street, (Mailing: P.O. Box 18400), South Lake Tahoe, CA 96151; (hereinafter referred to as "Contractor");

WITNESSETH

WHEREAS, Contractor has been engaged by County to provide "as requested" bus transportation services for clients of the Human Services Department, Social Services Division, in the South Lake Tahoe area in accordance with Agreement for Services #348-S0510, dated January 3, 2005, and Amendment I dated May 17, 2005, incorporated herein and made by reference a part hereof; and

WHEREAS, the parties hereto have mutually agreed to extend the term of said Agreement for an additional (1) year period with no increase in compensation, hereby amending **ARTICLE II-Term**; and

WHEREAS, the parties hereto have mutually agreed to amend the rates within the compensation, hereby amending **ARTICLE III – Compensation for Services**; and

WHEREAS, the parties hereto have mutually agreed to add **ARTICLE XXIII – County Business License** and **ARTICLE XXIV - Nondiscrimination**.

NOW THEREFORE, the parties do hereby agree that Agreement for Services #348-S0510 shall be amended a second time as follows:

ARTICLE II

Term: This Amendment shall become effective when fully executed by both parties hereto and, as amended, shall cover the period of January 3, 2005 through January 2, 2008.

ARTICLE III

Compensation for Services: For services provided herein, County agrees to pay Contractor monthly in arrears. Contractor shall submit monthly invoices no later than fifteen (15) days following the end of a "service month." For billing purposes, a "service month" shall be defined as a calendar month during which Contractor provides services in accordance with "Scope of Services."

Payment shall be made within thirty (30) days following County receipt and authorization of approved invoice(s). Contractor shall submit only original invoices. Photocopied or faxed invoices will not be accepted. Passes that have been purchased but not used shall be returned to Contractor monthly in exchange for current passes. For the purpose of this Agreement the billing rate(s) shall be as follows:

Item	Cost
Stage Monthly Pass	\$50
County Bus Plus	\$5
City Bus Plus	\$3
Special Needs Pass	\$1
10 Ride Bus Plus	\$25
10 Ride County Bus Plus Pass	\$45
10 Ride Stage	\$15
Tokens	\$1.50

The total amount of this Agreement, as amended, shall not exceed \$60,000.00 for the three (3) year period.

ARTICLE XXIII

County Business License: It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Code Section 5.08.070.

ARTICLE XXIV

Nondiscrimination: Assurance of compliance with the El Dorado County Department of Human Services nondiscrimination in State and Federally assisted programs requirement:

Contractor hereby agrees that they will comply with Title VI and VII of the Civil Rights Act of 1964 as amended; Section 504 of the Rehabilitation Act of 1973 as amended; the Age Discrimination Act of 1975 as amended; the Food Stamp Act of 1977, as amended, and in particular Section 272.6; Title II of the Americans with Disabilities Act of 1990; California Civil Code Section 51 et seq., as amended; California Government Code section 11135-11139.5, as amended; California Government Code section 12940 (c), (h) (1), (i), and (j); California Government Code section 4450; Title 22, California Code of Regulations section 98000 – 98413; Title 24 of the California Code of Regulations, Section 3105A(e); the Dymally-Alatorre Bilingual Services Act (California Government Code Section 7290-7299.8); Section 1808 of the

Removal of Barriers to Interethnic Adoption Act of 1996; and other applicable federal and state laws, as well as their implementing regulations [including 45 Code of Federal Regulations (CFR) Parts 80, 84 and 91, 7 CFR Part 15, and 28 CFR Part 42], by ensuring that employment practices and the administration of public assistance and social services programs are nondiscriminatory, to the effect that no person shall because of ethnic group identification, age, sex, color, disability, medical condition, national origin, race, ancestry, marital status, religion, religious creed, or political belief be excluded from participation in or be denied the benefits of, or be otherwise subject to discrimination under any program or activity receiving federal or state financial assistance; and hereby give assurance that it will immediately take any measures necessary to effectuate this agreement.

This assurance is given in consideration of and for the purpose of obtaining any and all federal and state assistance; and the Contractor hereby gives assurance that administrative methods/procedures which have the effect of subjecting individuals to discrimination or defeating the objectives of the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Chapter 21, will be prohibited.

By accepting this assurance, the Contractor agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of the aforementioned laws, rules and regulations and permit authorized CDSS and/or federal government personnel, during normal working hours, to review such records, books and accounts as needed to ascertain compliance. If there are any violations of this assurance, CDSS shall have the right to invoke fiscal sanctions or other legal remedies in accordance with Welfare and Institutions Code Section 10605, or Government Code section 11135-11139.5, or any other laws, or the issue may be referred to the appropriate federal agency for further compliance action and enforcement of this assurance.

This assurance is binding on the Contractor directly or through contract, license, or other provider services, as long as it receives federal or state assistance.

Except as herein amended, all other parts and sections of this Agreement #348-S0510 shall remain unchanged and in full force and effect.

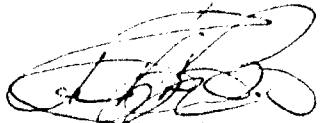
Requesting Contract Administrator/Department Head Concurrence:

By:  Dated: 12/21/16
John Litwinovich
Human Services Director

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to that Agreement for Services #348-S0510 on the dates indicated below, the latest of which shall be deemed to be the effective date of this Amendment.

--- COUNTY OF EL DORADO ---

Dated: January 30, 2007

By: 
RON BRIGGS, Second Vice Chairman
Board of Supervisors
"County"

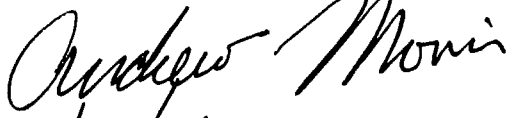
ATTEST:
Cindy Keck
Clerk of the Board of Supervisors

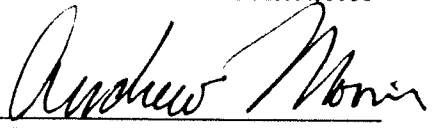
By: Cindy Keck Dated: January 30, 2007
Deputy Clerk

-- CONTRACTOR --

Dated: 12/31/06

AREA TRANSIT MANAGEMENT INC.
A CALIFORNIA CORPORATION

By: 
12/31/06
Andrew Morris, President
"Contractor"

By: 
Corporate Secretary

Dated: 12/31/06

COPY



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AGREEMENT FOR SERVICES #348-S0510
AMENDMENT I

This Amendment I to that Agreement for Services #348-S0510, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Area Transit Management, Inc., a California Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 1679 Shop Street (Mailing: P.O. Box 18400), South Lake Tahoe, CA 96151; (hereinafter referred to as "Contractor");

WITNESSETH

WHEREAS, Contractor has been engaged by County to provide "as requested" bus transportation services for clients of the Human Services Department in the South Lake Tahoe area in accordance with Agreement for Services #348-S0510, dated January 3, 2005, incorporated herein and made by reference a part hereof; and

WHEREAS, the parties hereto have mutually agreed to extend the term for a (1) year period and increase the compensation, hereby amending **ARTICLE II-Term** and **ARTICLE III-Compensation for Services**.

NOW THEREFORE, the parties do hereby agree that Agreement for Services #348-S0510 shall be amended a first time as follows:

ARTICLE II

Term: This Amendment shall become effective when fully executed by both parties hereto and, as amended, shall cover the period of January 3, 2005 through January 2, 2007.

ARTICLE III

Compensation for Services: For services provided herein, County agrees to pay Contractor monthly in arrears. Contractor shall submit monthly invoices no later than fifteen (15) days following the end of a "service month." For billing purposes, a "service month" shall be defined as a calendar month during which Contractor provides services in accordance with "Scope of Services."

Payment shall be made within thirty (30) days following County receipt and authorization of approved invoice(s). Contractor shall submit only original invoices. Photocopied or faxed invoices will not be accepted. Passes that have been purchased but not used shall be returned to Contractor monthly in exchange for current passes. For the purpose of this Agreement the billing rate(s) shall be as follows:

Item	Cost
Stage Monthly Pass	\$50
County Bus Plus	\$5
City Bus Plus	\$3
Special Needs Pass	\$1
10 Ride Bus Plus	\$25
10 Ride Stage	\$15
Tokens	\$1.50

The total amount of this Agreement, as amended, shall not exceed \$60,000.00 for the two (2) year period.

Except as herein amended, all other parts and sections of this Agreement #348-S0510 shall remain unchanged and in full force and effect.

Requesting Department Concurrence:

By: John Litwinovich Dated: 3/3/05
John Litwinovich
Human Services Director

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Agreement #348-S0510 the day and year first below written.

--- COUNTY OF EL DORADO ---

Dated: 5/17/05

By: Charlie Paine
CHARLIE PAINE Chairman
Board of Supervisors
"County"

ATTEST:
Cindy Keck
Clerk of the Board of Supervisors

By: [Signature] Dated: 5-17-05
Deputy Clerk

-- CONTRACTOR --

Dated: 3-9-05

AREA TRANSIT MANAGEMENT INC.
A CALIFORNIA CORPORATION

By: Ken Daley
Ken Daley, President
"Contractor"

By: Ken Daley
Corporate Secretary

Dated: 3-9-05

COPY

AGREEMENT FOR SERVICES #348-S0510

THIS AGREEMENT made and entered by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") and Area Transit Management, Inc., a California Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 1679 Shop Street (Mailing: P.O. Box 18400), South Lake Tahoe, CA 96151; (hereinafter referred to as "Contractor");

WITNESSETH

WHEREAS, County has determined that it is necessary to obtain a Contractor to provide "as requested" bus transportation services for clients of the Human Services Department in the South Lake Tahoe area; and

WHEREAS, Contractor has represented to County that it is specially trained, experienced, expert and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable federal, state and local laws; and

WHEREAS, County has determined that the provision of these services provided by Contractor is in the public's best interest, and that these services are more economically and feasibly performed by outside independent Contractors as well as authorized by El Dorado County Charter, Section 210 (b) (6) and/or Government Code 31000;

NOW, THEREFORE, County and Contractor mutually agree as follows:

ARTICLE I

Scope of Services: Contractor shall furnish personnel, equipment and services necessary to provide "as requested" bus transportation for Human Services Department clients in the South Lake Tahoe area. Contractor shall provide Human Services with bus passes at the beginning of each month, number of passes to be issued will be determined on a month-to-month basis as mutually agreed between Human Services staff and Contractor. Passes are then provided to clients for their use on an "as needed" basis as approved by the Human Services staff.

ARTICLE II

Term: This Agreement shall become effective when fully executed by both parties hereto and shall expire one (1) year from date thereof.

ARTICLE III

Compensation for Services: For services provided herein, County agrees to pay Contractor monthly in arrears. Contractor shall submit monthly invoices no later than fifteen (15) days following the end of a "service month." For billing purposes, a "service month" shall be defined as a calendar month during which Contractor provides services in accordance with "Scope of Services."

Payment shall be made within thirty (30) days following County receipt and authorization of approved invoice(s). Contractor shall submit only original invoices. Photocopied or faxed invoices will not be accepted. Passes that have been purchased but not used shall be returned to Contractor monthly in exchange for current passes. For the purpose of this Agreement the billing rate(s) shall be as follows:

Item	Cost
Stage Monthly Pass	\$50
County Bus Plus	\$5
City Bus Plus	\$3
Special Needs Pass	\$1
10 Ride Bus Plus	\$25
10 Ride Stage	\$15
Tokens	\$1.50

The total amount of this Agreement shall not exceed \$10,000.00.

ARTICLE IV

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE V

Contractor to County: It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during term hereof.

ARTICLE VI

Assignment and Delegation: Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

ARTICLE VII

Independent Contractor/Liability: Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates, and subcontractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

ARTICLE VIII

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE IX

Default, Termination, and Cancellation:

- A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the

extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired.

- B. **Bankruptcy:** This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. **Ceasing Performance:** County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. **Termination or Cancellation without Cause:** County may terminate this Agreement in whole or in part seven (7) calendar days upon written notice by County for any reason. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

ARTICLE X

Notice to Parties: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested.

Notices to County shall be in duplicate and addressed as follows:

COUNTY OF EL DORADO
HUMAN SERVICES DEPARTMENT
3057 BRIW ROAD
PLACERVILLE, CA 95667
ATTN: JOHN LITWINOVICH, DIRECTOR
or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

AREA TRANSIT MANAGEMENT INC.
P.O. BOX 18400
SOUTH LAKE TAHOE, CA 96151
or to such other location as the Contractor directs.

ARTICLE XI

Indemnity: The Contractor shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the Contractor's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County, the Contractor, subcontractor(s) and employee(s) of any of these, except for the sole, or active negligence of the County, its officers and employees, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

ARTICLE XII

Insurance: Contractor shall provide proof of a policy of insurance satisfactory to the El Dorado County Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage.
- C. Automobile Liability Insurance of not less than \$2,000,000.00 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. In the event Contractor is a licensed professional, and is performing professional services under this Agreement, professional liability (for example, malpractice insurance) is required with a limit of liability of not less than \$1,000,000.00 per occurrence. For the purposes of this Agreement professional liability is not required.
- E. Contractor shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to the Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the

approval of the Risk Management Division and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

- H. The certificate of insurance must include the following provisions stating that:
1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County, and;
 2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to all liability policies except workers' compensation and professional liability insurance policies.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with the Risk Management Division, as essential for the protection of the County.

ARTICLE XIII

Interest of Public Official: No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

ARTICLE XIV

Interest of Contractor: Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

ARTICLE XV

California Residency (Form 590): All independent Contractors providing services to the County must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certifying that they have a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

ARTICLE XVI

Taxpayer Identification Number (Form W-9): All independent Contractors or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

ARTICLE XVII

California Forum and Law: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.

ARTICLE XVIII

Administrator: The County Officer or employee with responsibility for administering this Agreement is John Litwinovich, Human Services Director, or successor.

ARTICLE XIX

Authorized Signatures: The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

ARTICLE XX

Partial Invalidity: If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

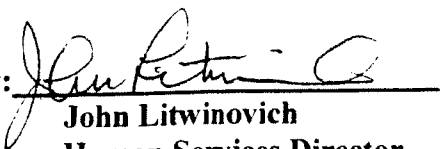
ARTICLE XXI

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.

ARTICLE XXII

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

REQUESTING DEPARTMENT CONCURRENCE:

By:  Dated: 1-19-04
John Litwinovich
Human Services Director

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first below written.

-- COUNTY OF EL DORADO --

Dated: 1/3/05

By: Laura A. Hill
for **Bonnie H. Rich, Purchasing Agent**
Chief Administrative Office
"County"

-- CONTRACTOR --

Dated: 12-27-04

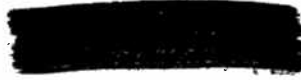
AREA TRANSIT MANAGEMENT INC.
A CALIFORNIA CORPORATION

By: Ken Daley
Ken Daley, President
"Contractor"

By: Ken Daley
Corporate Secretary

Dated: 12-27-04

COPY



AGREEMENT FOR SERVICES #348-S0510
AMENDMENT I

This Amendment I to that Agreement for Services #348-S0510, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Area Transit Management, Inc., a California Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 1679 Shop Street (Mailing: P.O. Box 18400), South Lake Tahoe, CA 96151; (hereinafter referred to as "Contractor");

WITNESSETH

WHEREAS, Contractor has been engaged by County to provide "as requested" bus transportation services for clients of the Human Services Department in the South Lake Tahoe area in accordance with Agreement for Services #348-S0510, dated January 3, 2005, incorporated herein and made by reference a part hereof; and

WHEREAS, the parties hereto have mutually agreed to extend the term for a (1) year period and increase the compensation, hereby amending **ARTICLE II-Term** and **ARTICLE III-Compensation for Services**.

NOW THEREFORE, the parties do hereby agree that Agreement for Services #348-S0510 shall be amended a first time as follows:

ARTICLE II

Term: This Amendment shall become effective when fully executed by both parties hereto and, as amended, shall cover the period of January 3, 2005 through January 2, 2007.

ARTICLE III

Compensation for Services: For services provided herein, County agrees to pay Contractor monthly in arrears. Contractor shall submit monthly invoices no later than fifteen (15) days following the end of a "service month." For billing purposes, a "service month" shall be defined as a calendar month during which Contractor provides services in accordance with "Scope of Services."

Payment shall be made within thirty (30) days following County receipt and authorization of approved invoice(s). Contractor shall submit only original invoices. Photocopied or faxed invoices will not be accepted. Passes that have been purchased but not used shall be returned to Contractor monthly in exchange for current passes. For the purpose of this Agreement the billing rate(s) shall be as follows:

Item	Cost
Stage Monthly Pass	\$50
County Bus Plus	\$5
City Bus Plus	\$3
Special Needs Pass	\$1
10 Ride Bus Plus	\$25
10 Ride Stage	\$15
Tokens	\$1.50

The total amount of this Agreement, as amended, shall not exceed \$60,000.00 for the two (2) year period.

Except as herein amended, all other parts and sections of this Agreement #348-S0510 shall remain unchanged and in full force and effect.

Requesting Department Concurrence:

By:  Dated: 3/3/05
John Litwinovich
Human Services Director

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Agreement #348-S0510 the day and year first below written.

-- COUNTY OF EL DORADO --

Dated: 5/17/05

By: Charlie Paine
CHARLIE PAINE Chairman
Board of Supervisors
"County"

ATTEST:
Cindy Keck
Clerk of the Board of Supervisors

By: [Signature] Dated: 5-17-05
Deputy Clerk

-- CONTRACTOR --

Dated: 3-9-05

AREA TRANSIT MANAGEMENT INC.
A CALIFORNIA CORPORATION

By: Ken Daley
Ken Daley, President
"Contractor"

By: Ken Daley
Corporate Secretary

Dated: 3-9-05

COPY

AGREEMENT FOR SERVICES #348-S0510

THIS AGREEMENT made and entered by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") and Area Transit Management, Inc., a California Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 1679 Shop Street (Mailing: P.O. Box 18400), South Lake Tahoe, CA 96151; (hereinafter referred to as "Contractor");

WITNESSETH

WHEREAS, County has determined that it is necessary to obtain a Contractor to provide "as requested" bus transportation services for clients of the Human Services Department in the South Lake Tahoe area; and

WHEREAS, Contractor has represented to County that it is specially trained, experienced, expert and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable federal, state and local laws; and

WHEREAS, County has determined that the provision of these services provided by Contractor is in the public's best interest, and that these services are more economically and feasibly performed by outside independent Contractors as well as authorized by El Dorado County Charter, Section 210 (b) (6) and/or Government Code 31000;

NOW, THEREFORE, County and Contractor mutually agree as follows:

ARTICLE I

Scope of Services: Contractor shall furnish personnel, equipment and services necessary to provide "as requested" bus transportation for Human Services Department clients in the South Lake Tahoe area. Contractor shall provide Human Services with bus passes at the beginning of each month, number of passes to be issued will be determined on a month-to-month basis as mutually agreed between Human Services staff and Contractor. Passes are then provided to clients for their use on an "as needed" basis as approved by the Human Services staff.

ARTICLE II

Term: This Agreement shall become effective when fully executed by both parties hereto and shall expire one (1) year from date thereof.

ARTICLE III

Compensation for Services: For services provided herein, County agrees to pay Contractor monthly in arrears. Contractor shall submit monthly invoices no later than fifteen (15) days following the end of a "service month." For billing purposes, a "service month" shall be defined as a calendar month during which Contractor provides services in accordance with "Scope of Services."

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10 Ride Stage	\$15
Tokens	\$1.50

The total amount of this Agreement shall not exceed \$10,000.00.

ARTICLE IV

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE V

Contractor to County: It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during term hereof.

ARTICLE VI

Assignment and Delegation: Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

ARTICLE VII

Independent Contractor/Liability: Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates, and subcontractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

ARTICLE VIII

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE IX

Default, Termination, and Cancellation:

- A. Default: Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the

extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired.

- B. **Bankruptcy:** This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. **Ceasing Performance:** County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. **Termination or Cancellation without Cause:** County may terminate this Agreement in whole or in part seven (7) calendar days upon written notice by County for any reason. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

ARTICLE X

Notice to Parties: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested.

Notices to County shall be in duplicate and addressed as follows:

COUNTY OF EL DORADO
HUMAN SERVICES DEPARTMENT
3057 BRIW ROAD
PLACERVILLE, CA 95667
ATTN: JOHN LITWINOVICH, DIRECTOR
or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

AREA TRANSIT MANAGEMENT INC.
P.O. BOX 18400
SOUTH LAKE TAHOE, CA 96151
or to such other location as the Contractor directs.

ARTICLE XI

Indemnity: The Contractor shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the Contractor's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County, the Contractor, subcontractor(s) and employee(s) of any of these, except for the sole, or active negligence of the County, its officers and employees, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

ARTICLE XII

Insurance: Contractor shall provide proof of a policy of insurance satisfactory to the El Dorado County Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage.
- C. Automobile Liability Insurance of not less than \$2,000,000.00 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. In the event Contractor is a licensed professional, and is performing professional services under this Agreement, professional liability (for example, malpractice insurance) is required with a limit of liability of not less than \$1,000,000.00 per occurrence. For the purposes of this Agreement professional liability is not required.
- E. Contractor shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to the Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the

approval of the Risk Management Division and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

- H. The certificate of insurance must include the following provisions stating that:
1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County, and;
 2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to all liability policies except workers' compensation and professional liability insurance policies.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with the Risk Management Division, as essential for the protection of the County.

ARTICLE XIII

Interest of Public Official: No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

ARTICLE XIV

Interest of Contractor: Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

ARTICLE XV

California Residency (Form 590): All independent Contractors providing services to the County must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certifying that they have a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

ARTICLE XVI

Taxpayer Identification Number (Form W-9): All independent Contractors or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

ARTICLE XVII

California Forum and Law: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.

ARTICLE XVIII

Administrator: The County Officer or employee with responsibility for administering this Agreement is John Litwinovich, Human Services Director, or successor.

ARTICLE XIX

Authorized Signatures: The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

ARTICLE XX

Partial Invalidity: If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

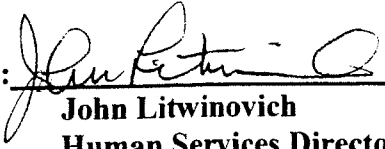
ARTICLE XXI

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.

ARTICLE XXII

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

REQUESTING DEPARTMENT CONCURRENCE:

By:  Dated: 1/19/04
John Litwinovich
Human Services Director

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first below written.

-- COUNTY OF EL DORADO --

Dated: 1/3/05

By: Laura A. Guel
for **Bonnie H. Rich, Purchasing Agent**
Chief Administrative Office
"County"

-- CONTRACTOR --

Dated: 12-27-04

AREA TRANSIT MANAGEMENT INC.
A CALIFORNIA CORPORATION

By: Ken Daley
Ken Daley, President
"Contractor"

By: Ken Daley
Corporate Secretary

Dated: 12-27-04

ORIGINAL

AGREEMENT FOR SERVICES #348-S0510 AMENDMENT I

This Amendment I to that Agreement for Services #348-S0510, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Area Transit Management, Inc., a California Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 1679 Shop Street (Mailing: P.O. Box 18400), South Lake Tahoe, CA 96151; (hereinafter referred to as "Contractor");

WITNESSETH

WHEREAS, Contractor has been engaged by County to provide "as requested" bus transportation services for clients of the Human Services Department in the South Lake Tahoe area in accordance with Agreement for Services #348-S0510, dated January 3, 2005, incorporated herein and made by reference a part hereof; and

WHEREAS, the parties hereto have mutually agreed to extend the term for a (1) year period and increase the compensation, hereby amending **ARTICLE II-Term** and **ARTICLE III-Compensation for Services**.

NOW THEREFORE, the parties do hereby agree that Agreement for Services #348-S0510 shall be amended a first time as follows:

ARTICLE II

Term: This Amendment shall become effective when fully executed by both parties hereto and, as amended, shall cover the period of January 3, 2005 through January 2, 2007.

ARTICLE III

Compensation for Services: For services provided herein, County agrees to pay Contractor monthly in arrears. Contractor shall submit monthly invoices no later than fifteen (15) days following the end of a "service month." For billing purposes, a "service month" shall be defined as a calendar month during which Contractor provides services in accordance with "Scope of Services."

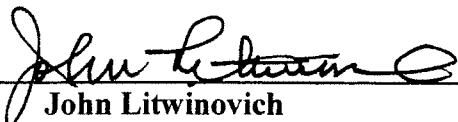
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Tokens	\$1.50

The total amount of this Agreement, as amended, shall not exceed \$60,000.00 for the two (2) year period.

Except as herein amended, all other parts and sections of this Agreement #348-S0510 shall remain unchanged and in full force and effect.

Requesting Department Concurrence:

By:  Dated: 3/13/05
John Litwinovich
Human Services Director

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Agreement #348-S0510 the day and year first below written.

--- COUNTY OF EL DORADO ---

Dated: 5/17/05

By: Charlie Paine
CHARLIE PAINE Chairman
Board of Supervisors
"County"

ATTEST:
Cindy Keck
Clerk of the Board of Supervisors

By: Stephen Tyler Dated: 5-17-05
Deputy Clerk

-- CONTRACTOR --

Dated: 3-9-05

AREA TRANSIT MANAGEMENT INC.
A CALIFORNIA CORPORATION

By: Ken Daley
Ken Daley, President
"Contractor"

By: Ken Daley
Corporate Secretary

Dated: 3-9-05

COPY

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WHEREAS, County has determined that it is necessary to obtain a Contractor to provide "as requested" bus transportation services for clients of the Human Services Department in the South Lake Tahoe area; and

WHEREAS, Contractor has represented to County that it is specially trained, experienced, expert and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

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NOW, THEREFORE, County and Contractor mutually agree as follows:

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Scope of Services: Contractor shall furnish personnel, equipment and services necessary to provide "as requested" bus transportation for Human Services Department clients in the South Lake Tahoe area. Contractor shall provide Human Services with bus passes at the beginning of each month, number of passes to be issued will be determined on a month-to-month basis as mutually agreed between Human Services staff and Contractor. Passes are then provided to clients for their use on an "as needed" basis as approved by the Human Services staff.

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Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

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Contractor to County: It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during term hereof.

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Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

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Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE IX

Default, Termination, and Cancellation:

- A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the

extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired.

- B. Bankruptcy: This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. Ceasing Performance: County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. Termination or Cancellation without Cause: County may terminate this Agreement in whole or in part seven (7) calendar days upon written notice by County for any reason. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

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COUNTY OF EL DORADO
HUMAN SERVICES DEPARTMENT
3057 BRIW ROAD
PLACERVILLE, CA 95667
ATTN: JOHN LITWINOVICH, DIRECTOR
or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

AREA TRANSIT MANAGEMENT INC.
P.O. BOX 18400
SOUTH LAKE TAHOE, CA 96151
or to such other location as the Contractor directs.

ARTICLE XI

Indemnity: The Contractor shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the Contractor's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County, the Contractor, subcontractor(s) and employee(s) of any of these, except for the sole, or active negligence of the County, its officers and employees, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

ARTICLE XII

Insurance: Contractor shall provide proof of a policy of insurance satisfactory to the El Dorado County Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage.
- C. Automobile Liability Insurance of not less than \$2,000,000.00 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. In the event Contractor is a licensed professional, and is performing professional services under this Agreement, professional liability (for example, malpractice insurance) is required with a limit of liability of not less than \$1,000,000.00 per occurrence. For the purposes of this Agreement professional liability is not required.
- E. Contractor shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to the Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the

approval of the Risk Management Division and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

- H. The certificate of insurance must include the following provisions stating that:
 - 1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County, and;
 - 2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to all liability policies except workers' compensation and professional liability insurance policies.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with the Risk Management Division, as essential for the protection of the County.

ARTICLE XIII

Interest of Public Official: No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

ARTICLE XIV

Interest of Contractor: Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

ARTICLE XV

California Residency (Form 590): All independent Contractors providing services to the County must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certifying that they have a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

ARTICLE XVI

Taxpayer Identification Number (Form W-9): All independent Contractors or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

ARTICLE XVII

California Forum and Law: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.

ARTICLE XVIII

Administrator: The County Officer or employee with responsibility for administering this Agreement is John Litwinovich, Human Services Director, or successor.

ARTICLE XIX

Authorized Signatures: The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

ARTICLE XX

Partial Invalidity: If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

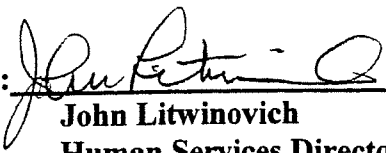
ARTICLE XXI

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.

ARTICLE XXII

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

REQUESTING DEPARTMENT CONCURRENCE:

By:  _____ Dated: 1-19-04
John Litwinovich
Human Services Director

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first below written.

-- COUNTY OF EL DORADO --

Dated: 1/3/05

By: Laura A. Rich
for **Bonnie H. Rich, Purchasing Agent**
Chief Administrative Office
"County"

-- CONTRACTOR --

Dated: 12-27-04

AREA TRANSIT MANAGEMENT INC.
A CALIFORNIA CORPORATION

By: Ken Daley
Ken Daley, President
"Contractor"

By: Ken Daley
Corporate Secretary

Dated: 12-27-04