



**CITY OF NOVI CITY COUNCIL
JANUARY 6, 2025**

SUBJECT: Consideration of Transit Enhancement Services Agreement with People's Express (PEX) for temporary use of office, parking space at the Novi Civic Center and access to city fuel pumps, effective January 1, 2025.

SUBMITTING DEPARTMENT: Parks, Recreation and Cultural Services – Older Adult Services

KEY HIGHLIGHTS:

- Since July 1, 2024, PEX has been providing curb-to-curb public transportation services in Novi.
- The former agreement, which expired on December 31, 2024, included City-funded subsidies for eligible riders, access to 200 square feet of office space and 14 parking spaces at the Civic Center, and access to fuel pumps at the Department of Public Works (DPW).
- Per Council direction at a recent City Council meeting, the former agreement has been split into two separate agreements: one addressing subsidies, and this agreement focusing on the use of Civic Center office, parking facilities and fuel access.
- PEX is actively searching for a permanent facility in Southwest Oakland County that meets its long-term operational needs.
- The proposed agreement allows PEX to temporarily use Civic Center facilities starting January 1, 2025, with rental terms. Proposed terms would include a monthly fee starting at \$450 for office and parking space, with a planned increase to \$600 after six months, with renegotiation required for use beyond December 31, 2025.
- The proposed agreement includes a reimbursement clause for a portion of rental fees if PEX relocates to a Novi-based facility.

BACKGROUND:

Since July 1, 2024, People's Express (PEX) has provided public transportation services in Novi. The previous agreement, which expired on December 31, 2024, included both City-funded subsidies for eligible residents and access to 200 square feet of office space and 14 parking spaces at the Civic Center at no cost.

In line with City Council's directive during its December 16 meeting, the former agreement has been split into two separate agreements to address ride subsidies and facility use individually.

The proposed agreement outlines terms for PEX's continued use of Civic Center facilities, including an initial base rent of \$450/month for office and parking space, increasing to \$600/month after six months. These terms are intended to provide a transitional solution while PEX continues its search for a permanent location.

PEX has outlined specific requirements for a new facility, including approximately 1,000 square feet of office space, 1.5–2 acres of land, a heated indoor bay for minor maintenance and storage, paved parking for 50–55 vehicles, and a secured perimeter. The facility must also be near or include fueling options and require minimal upgrades or improvements to meet operational needs. PEX has indicated they are open to either purchasing or leasing a suitable property. While currently working with Novi Community Development staff to identify suitable properties, PEX has broadened its search to include potential sites in Wixom and Lyon Township.

The agreement includes a clause to reimburse PEX for half of the rental fees paid from January 1, 2025, onward if they relocate to a facility within Novi. No reimbursement will be provided if the relocation is to a facility outside Novi.

RECOMMENDED ACTION: Approval of a Transit Enhancement Service Agreement with People's Express (PEX) for temporary use of office parking space at the Novi Civic Center and access to city fuel pumps, effective January 1, 2025.

**TRANSIT ENHANCEMENT SERVICE AGREEMENT
FOR
USE OF CITY FACILITIES**

This Agreement is between the City of Novi, a Michigan municipal corporation located at 45175 Ten Mile Road, Novi, Michigan 48375, ("City") and People's Express Inc., a 501(c)3 nonprofit organization with its principal place of operation located at 175 Barker Road, Whitmore Lake, Michigan 48189. ("Transit Provider"). City and Transit Provider may be referred to collectively as ("Parties") or individually as a ("Party"). This Agreement shall be effective on the date that it is signed by both Parties. ("Effective Date")

In consideration of the mutual covenants promises made herein, and other valuable considerations, receipt of which is hereby acknowledged the Parties do hereby bind themselves to the terms and conditions of this Agreement.

- 1. Agreement Purpose:** After the passage of a .95 countywide transportation millage, Oakland County advised the City that it was eligible to receive curb-to-curb transportation services from one of the providers selected by the County. After receiving proposals from two providers, the City determined that it would be in the best interests of its residents to select Transit Provider to provide transportation services to its residents who are at least age 55 and to residents with a limiting disability who cannot drive. Oakland County has entered into a contract with Transit Provider to provide such services for these City residents. In order to facilitate the services of Transit Provider to eligible City residents, the Novi City Council has approved establishing an agreement with Transit Provider to provide access to City facilities. This Agreement defines the roles and responsibilities of the Parties with respect to that.

- 2. Definitions:**
 - 2.1. Eligible Riders:** Residents age 55 or older, veterans and individuals with a limiting disability who cannot drive.
 - 2.2. General Public Riders:** Individuals within the City of Novi receiving rides from Transit Provider that do not qualify as Eligible Riders.
 - 2.3. City Facilities:** Office space designated by City in the Novi Civic Center located at 45175 Ten Mile Road, Transit Provider will also be provided 14 designated parking spaces at the Novi Civic Center and have access to the fuel pumps at 26300 Lee BeGole Drive.

- 3. Term and Termination:**
 - 3.1.** The services shall begin on January 1, 2025, at 12:01 a.m., and shall continue until June 30, 2025, at 11:59:59 p.m., unless terminated or extended as provided below.
 - 3.2.** The City may terminate this Agreement for cause if Transit Provider fail to correct a default in their performance within ten (10) days of written notice from the City

of the default. Examples of default include failure to confine its vans to the assigned parking area and inappropriate use of City facilities.

- 3.3.** Additionally, either Party may terminate the Agreement in whole or in part, at any time, for any reason, including convenience, upon providing one ninety (90) days' written notice to the other Party without incurring any obligation or penalty. Upon receiving a notice of termination, Transit Provider shall take the following actions: 1) cease using City facilities as provided herein and 2) remove all Transit Provider property from City facilities.
- 3.4.** In the event that the Transit Provider ceases to conduct business in the normal course, becomes insolvent, makes any assignment of its business for the benefit of creditors, suffer or permits the appointment of a receiver or similar officers for its business or assets, or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute relating to insolvency, or the protection of rights of creditors, or allow any creditor to seize its property by lien, levy, or writ of execution, and such condition is not remedied within thirty (30) days after written notice is given by the City, the City shall have the right to terminate this Agreement.
- 3.5.** Upon termination or expiration, the City shall have the right to continue providing payment to Transit Provider to subsidize the cost of rides for its Eligible Riders until a contract or contract amendment is executed to solely continue that benefit without the use of City facilities by Transit Provider.

4. Use of Facilities, Rent, Potential for Extension

- 4.1. Use of Facilities:** Transit Provider shall be entitled to use City Facilities as described in the attached and incorporated Exhibit II, Use of City Facilities.
- 4.2. Rent:** The Parties acknowledge that Transit Provider is seeking other accommodations for its operations, and it is not expected to use City Facilities indefinitely. From January 1, 2025, until the Termination Date provided in Section 3.1 above, Transit Provider shall pay rent in the amount of \$450.000 per month; provided, however, that if Transit Provider finds other accommodations and ceases to use the City Facilities, the following shall apply: (a) if Transit Provider moves its operations to another (non-City owned) facility in Novi, then the City will reimburse Transit Provider half of the rent paid from January 1, 2025 to the date the City Facilities are vacated by Transit Provider.
- 4.3 Potential Extension of Term (and Increase in Rent).** The Parties acknowledge that Transit Provider has had difficulty securing alternate facilities for its operations. If the Transit Provider has not secured alternate facilities by the Termination Date in Section 3.1 above, the Parties may (but are not obligated to) agree to an extension of the Termination Date until December 31, 2025. During the extended period, rent for the City Facilities shall be increased to \$600.00 per month. The reimbursement requirement of Section 4.2 above shall also be extended until such date. .

5. Transit Provider Warranties:

- 5.1. Full Knowledge of Agreement Expectations.** Transit Provider warrants that before submitting its proposal and/or entering into this Agreement, it had a full opportunity to review all City requirements and/or expectations for this Agreement. Transit Provider is responsible for being adequately and properly prepared to execute this Agreement. Transit Provider has satisfied itself in all material respects that it will be able to perform the Agreement as specified herein.
- 5.2. Equipment and Supplies.** Transit Provider is responsible for providing all equipment and supplies to perform this Agreement, which are not expressly required to be provided by the City.
- 5.3. Transit Provider Licenses.** Transit Provider shall be responsible for maintaining throughout the term this Agreement all licenses, permits, governmental authorizations necessary to perform this Agreement. Upon request by the City, Transit Provider shall furnish copies of any permit, license, and governmental authorization necessary to fulfil this Agreement.
- 5.4. Control and Supervision of Transit Provider Employees.** Transit Provider shall solely control, direct, and supervise all Transit Provider Employees with respect to all Transit Provider obligations under this Agreement. Transit Provider will be solely responsible for and fully liable for the conduct and supervision of any Transit Provider Employees as well as solely liable for the payment of salaries and wages and other compensation due to its employees and agents. No officer, agent, employee or subcontractor of Transit Provider shall be eligible to receive coverage or benefits under any City workers' compensation, unemployment, health insurance, retirement or other benefit plan. Transit Provider and its employees may not represent themselves as employees of City, when working on behalf of Transit Provider, nor enter into agreements on behalf of City.
- 5.5. Acknowledgment of Independent Transit Provider Status.** Nothing in this Agreement is intended to establish an employer-employee relationship between the City and Transit Provider or any Transit Provider employee. In no event shall Transit Provider employees be deemed employees, agents, volunteers, or subcontractors of the City, when working on behalf of Transit Provider. Transit Provider shall ensure that Transit Provider employees are apprised of their and the limitations independent Transit Providers have of this status.
- 5.6. Transit Provider Taxes.** Transit Provider shall collect and pay its local, state, and federal taxes, including but not limited to, all employment taxes, sales taxes, personal property taxes, and real property taxes. The City shall not be liable to or required to reimburse Transit Provider for any local, state, or federal tax of any kind.
- 5.7. Warranty for Use of Facilities and Performance of Services.** Transit Provider warrants that all use of City Facilities and services shall be performed in compliance with all applicable laws, statutes, regulations, ordinances, and professional standards.

6. Liability:

6.1 Transit Provider Indemnification. Transit Provider shall indemnify, defend, and hold the City of Novi, its elected and appointed officials, employees, volunteers and agents, harmless from all claims, demands, losses, costs, expenses, judgments and settlements, including attorney fees and interest, incurred by or asserted against the City by any person or entity, which are alleged to have been caused directly or indirectly from the acts or omissions of Transit Provider or Transit Provider's Employees. The City's right to indemnification is in excess and above any insurance rights/policies required by this Agreement.

6.2. No Indemnification from the City. Transit Provider shall have no rights against the City for indemnification, contribution, subrogation, or any other right to be reimbursed by the City, except as expressly provided herein.

7. Transit Provider Provided Insurance. At all times during this Agreement, Transit Provider shall obtain and maintain insurance according to the requirements listed in Exhibit I.

8. City's Right to Suspend Agreement Performance. Upon written notice, the City may require Transit Provider to suspend performance of this Agreement if Transit Provider has failed to comply with federal, state, or local laws or any requirements contained in this Agreement. The right to suspend performance of this Agreement is in addition to the City's right to terminate and/or cancel this Contact. The City shall not incur a penalty, expense, or liability to Transit Provider if the City suspends performance of this Contact under this Section.

9. Non-Discrimination. Transit Provider shall not discriminate against an employee or an applicant for employment in hiring, any terms and conditions of employment or matters related to employment, in accordance with applicable federal and state laws. Transit Provider shall provide the ambulance service without regard to race, creed, color, sex, sexual preference, age, physical handicap, marital status, national origin, ancestry, financial ability to pay, or location within the City.

10. Conflict of Interest. Pursuant to Public Act 317 and 318 of 1968, as amended (MCL 15.301, *et seq.* and MCL 15.321, *et seq.*), no contracts shall be entered into between the City and any elected and appointed officials, employees and volunteers of the City, when acting in their personal or official capacity. To avoid any real or perceived conflict of interest, Transit Provider shall disclose to the City the identity of all Transit Provider Employees who: a) are employed by the City on the date the Agreement is executed; and b) become employed by the Transit Provider during the term of the Agreement. However, it shall not be considered a conflict of interest for an employee working less than 25 hours per week for City to become an employee of Transit Provider.

11. Access and Records: Transit Provider will maintain accurate books and records in connection with the performance of this Transit Provider for thirty-six (36) months after the end of this Agreement and Transit Provider shall provide the City with reasonable access to such books and records, upon request.

- 12. Audit.** The City or an independent auditor hired by the City may perform Agreement audits (in its sole discretion) and shall have the authority to access all pertinent records and data and to interview any Transit Provider Employee during the term of this Agreement and for a period of three years after final payment. Transit Provider shall explain any audit findings, questioned costs, or other Agreement compliance deficiencies to the City within thirty (30) Business Days of receiving the draft audit report. Transit Provider's written response shall include all necessary documents and information that refute the draft audit report and an action plan to resolve the audit findings. A copy of Transit Provider's response will be included in the final report. Failure by Transit Provider to respond in writing within thirty (30) Business Days shall be deemed acceptance of the draft audit report and will be noted in the final report.
- 13. Prior Written Consent for Assignment.** Except by operation of law, neither Party may assign, delegate, or subcontract any of its duties or rights under this Agreement without the prior written consent of the other Party; provided, however, Transit Provider may assign or subcontract this Agreement to an affiliate or subsidiary as long as the affiliate or subsidiary is adequately capitalized and can provide adequate written assurances to the City that the affiliate or subsidiary can perform this Agreement. The City may withhold consent, if the City determines that the assignment, delegation, or subcontract would impair performance of this Agreement or the City's ability to recover damages under this Agreement. Transit Provider shall also provide the City with adequate information to allow the City to make a determination regarding the assignment, delegation, or subcontract. Any assignment, delegation, or subcontract by Transit Provider must include a requirement that the assignee, delegee, or subcontractor shall comply with the terms and conditions of this Agreement.
- 14. Third Party Beneficiaries.** This Agreement is intended solely for the benefit of the Parties to the Agreement and is not intended to benefit any other person or entity. No provision of this Agreement may be used by any other person or entity to impose an obligation, standard or care or duty upon the Parties different from or in addition to, the duties described herein.
- 15. Amendments and Waivers.** Any changes to this Agreement must be in an amendment to the Agreement and signed by the signatories of this Agreement or their successors. No waiver of any provision of this Agreement will be valid unless this Agreement is amended to reflect the change to that provision of the Agreement.
- 16. Survival of Terms and Conditions.** The following terms and conditions shall survive and continue in full force beyond the termination or cancellation of this Agreement, or any part thereof, until the terms and conditions are fully satisfied or expire by their nature: Section 1. Agreement Purpose, Section 5 Transit Provider's Warranties, Section 6 Liability, Section 7 Transit Provider Provided Insurance, Section 2.1.3 of Exhibit II, Payment for Utilities.
- 17. Compliance with Laws.** Transit Provider shall comply with all federal, state, and local laws, statutes, ordinances, regulations, insurance policy requirements, and requirements applicable to its activities under this Agreement.

18. Notices. All notices required under this Agreement shall be in writing. Notices shall be effective:

(a) the next Business Day, if personally delivered; (b) the third Business Day, if sent by U.S. mail, postage prepaid, return receipt requested; (c) the next Business Day, if sent by a nationally recognized overnight express courier with a reliable tracking system; or (d) the next Business Day with a receipt of confirmation, if sent by e-mail or fax.

Notice to City: Notice to City shall be addressed to Clerk, City of Novi, 45175 Ten Mile Road, Novi, Michigan 48375, 248-347-0456, clerksdepartment@cityofnovi.org and to the Fire Chief at 45125 Ten Mile Road, Novi, Michigan 48375, 248-348-7100.

Notice to Transit Provider: Notice to Transit Provider shall be addressed to: Douglas Anderson, People's Express, 10 Jennings Road, PO Box 505, Whitmore Lake, Michigan 48189.

19. Severability. If a court of competent jurisdiction finds a term or condition of this Agreement to be illegal or invalid, then the term or condition shall be deemed severed from this Agreement. All other terms or conditions shall remain in full force and effect. Notwithstanding the above, if Transit Provider's promise to indemnify or hold the City harmless is found illegal or invalid, Transit Provider shall contribute the maximum it is permitted to pay by law toward the payment and satisfaction of any Claims against the City.

20. Governing Laws/Consent to Jurisdiction and Venue. This Agreement shall be governed, interpreted, and enforced by the laws of the State of Michigan. Except as otherwise required by law or court rule, any action brought to enforce, interpret, or decide any Claim arising under or related to this Agreement shall be brought in the 6th Judicial Circuit Court of the State of Michigan, the 52nd District of the State of Michigan, or the United States District Court for the Eastern District of Michigan, Southern Division, as dictated by the applicable jurisdiction of the court. Except as otherwise required by law or court rule, venue is proper in the courts set forth above.

21. Entire Agreement. This Agreement represents the entire agreement and understanding between the Parties. This Agreement supersedes all other prior oral or written understandings, communications, agreements, or contracts between the Parties. The individuals signing this Agreement on behalf of their respective Parties warrant that they have the requisite authority to bind their respective Party to the terms of this Agreement.

FOR PEOPLE'S EXPRESS INC.

Date

By: Douglas Anderson, Executive Director

Notary Public
Oakland County, Michigan
Acting in _____ County, Michigan
My Commission Expires: _____

FOR CITY OF NOVI

Date

By: Justin Fischer, Mayor

Notary Public
Oakland County, Michigan
Acting in _____ County, Michigan
My Commission Expires: _____

EXHIBIT I INSURANCE REQUIREMENTS

During this Agreement, the Transit Provider shall provide and maintain, at their own expense, all insurance as set forth and marked below, protecting the City against any claims, demands, judgments, settlements, costs and attorney fees. The City, its agents, employees, and elected officials shall be listed as additional named insureds on all General Liability, Professional Liability, and Umbrella policies listed below. The insurance shall be written for not less than any minimum coverage herein specified. Limits of insurance required in no way limit the liability of the Transit Provider.

Primary Coverages

Commercial General Liability Occurrence Form including: (a) Premises and Operations; (b) Products and Completed Operations (including On and Off Premises Coverage); (c) Personal and Advertising Injury; (d) Broad Form Property Damage; (e) Broad Form Contractual including coverage for obligations assumed in this Agreement;

\$5,000,000 – Each Occurrence and/or aggregate combined single limit personal injury including bodily injury and property damage and the maintenance and operation of its vehicles. Coverage shall include: (A) Contractual Liability; (B) Products and Complete Operations Coverage; (C) Independent Transit Providers Coverage; (D) Broad Form General Liability Extensions or equivalent; (E) Annual Contract Aggregate applicable to this Agreement.

Workers' Compensation Insurance with limits statutorily required by any applicable Federal or State Law and Employers Liability insurance with limits of no less than \$500,000 each accident, \$500,000 disease each employee, and \$500,000 disease policy limit.

1. Fully Insured or State approved self-insurer.
2. Sole Proprietors must submit a signed Sole Proprietor form.
3. Exempt entities, Partnerships, LLC, etc., must submit a State of Michigan form WC-337 Certificate of Exemption.

Commercial Automobile Liability Insurance covering bodily injury and property damage arising out of the use of any owned, hired, or non-owned automobile with a combined single limit of \$5,000,000 each accident.

General Insurance Conditions

The aforementioned insurance shall be endorsed, as applicable, and shall contain the following terms, conditions, and/or endorsements. All certificates of insurance shall provide evidence of compliance with all required terms, conditions and/or endorsements.

1. All policies of insurance shall be on a primary, non-contributory basis with any other insurance or self-insurance carried by the City;
2. The insurance company(s) issuing the policy(s) shall have no recourse against the City for subrogation (policy endorsed written waiver), premiums, deductibles, or assessments under

any form. All policies shall be endorsed to provide a written waiver of subrogation in favor of the City;

3. Any and all deductibles or self-insured retentions shall be assumed by and be at the sole risk of the Transit Provider;
4. The Commercial General Liability shall be endorsed to name the City of Novi, its City Council, all employees, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or volunteers thereof as additional insured. Policies shall be issued by insurers who endorse the policies to reflect that in the event of payment of any loss or damages, subrogation rights under those contracts documents will be waived by the insurer with respect to claims against the City.
5. If the Transit Provider's insurance policies have higher limits than the minimum coverage requirements stated in this document the higher limits shall apply and in no way shall limit the overall liability assumed by the Transit Provider under this Agreement.
6. The Transit Provider shall require its Transit Providers or sub-Transit Providers, not protected under the Transit Provider's insurance policies, to procure and maintain insurance with coverages, limits, provisions, and/or clauses equal to those required in this Agreement;
7. **Proof of Insurance:** Certificates of insurance must be provided no less than ten (10) Business Days prior to the City's execution of the Agreement and must bear evidence of all required terms, conditions and endorsements as follows:
 - a) Two (2) copies of the Certificate of Insurance for Worker's Compensation Insurance.
 - b) Two (2) copies of the Certificate of Insurance for Commercial General Liability Insurance.
 - c) Two (2) copies of Insurance for Vehicle Liability Insurance.
 - d) Two (2) copies of Insurance for Ambulance Professional Malpractice Liability Insurance.
 - e) If requested, certified copies of all required policies shall be provided.
8. All insurance carriers must be licensed and approved to do business in the State of Michigan along with the Transit Provider's state of domicile and shall have and maintain a minimum A.M. Best's rating of A- unless otherwise approved by the City Administrator.
9. **Cancellation Notice:** Worker's Compensation Insurance, Commercial General Liability Insurance, Motor Vehicle Liability Insurance and Ambulance Professional Liability Insurance, as described above, shall include an endorsement stating the following: "It is understood and agreed that Thirty (30) Days Advance Written Notice of Cancellation, Non-renewal, Reduction, and/or Material Change shall be sent to the City of Novi, 45175 10 Mile Road, Novi, MI 48375."; and provide 30 days' notice of cancellation/material change endorsement.
10. **Renewal Notices:** If any of the required insurance coverages expire during the term of this Agreement, Transit Provider shall deliver renewal certificates to the City Clerk at least then (1) days prior to their expiration.

EXHIBIT II USE OF CITY FACILITIES

Transit Provider shall receive access to City Facilities according to the following specifications:

1. SERVICE GENERAL REQUIREMENTS

1.1. Prompt and Competent Service: Transit Provider shall provide curb-to-curb transportation services to Eligible Riders and General Public Riders within the entire City of Novi, promptly and competently in accordance with the terms and conditions of its Agreement with Oakland County.

2. USE OF CITY FACILITIES:

2.1. 45175 Ten Mile Road:

2.1.1. Office Space: Transit Provider may use office space designated by City in its building located at 45175 Ten Mile Road, known as "City Hall", subject to the conditions to be set by the City Manager or designee and the requirements set forth herein. The designated office space shall be used as a transportation dispatch office.

2.1.2. Parking: Transit Provider may have access to fourteen (14) designated parking spots for its vans along the sidewalk area by Novi High School, as indicated in Exhibit III, to be parked while providing transit services within the City under the Agreement.

2.1.3. Payment for Utilities: The City shall be responsible for the actual cost of the following utilities: gas, electricity, Internet, water and sewer. Transit Provider shall be responsible for providing telephone service and the cost of said service. The City reserves the right to seek reimbursement for telephone charges that are not related to providing transportation services.

2.1.4. Maintenance and Damages: The City will be responsible for snow/ice removal and maintaining the sidewalks and driveway/parking at 45175 Ten Mile Road. The Transit Provider shall be responsible for the weekly removal of waste once in the receptacles designated by City. The Transit Provider shall pay the City for any damage to the property that is caused by the Transit Provider. The City will maintain the building and grounds.

2.1.5. Hours of Access: Transit Provider shall have access to the designated office space 4 a.m. - 11:59 p.m. Monday through Friday, 4 a.m. - 11:59 p.m. Saturday, and 7 a.m. - 11:59 p.m. Sunday.

2.1.6. Furniture: Transit Provider shall have the use of desks provided by City.

2.1.7. Office Supplies and Computers: Transit Provider shall be responsible for providing its own office supplies, computers and chairs, etc. Transit Provider may use the public Wi-Fi available in City Hall. If Transit Provider

would like to install its own Wi-Fi, it must receive approval from the City prior to installation of service.

2.2. 26300 Lee BeGole Drive: Transit Provider may use designated areas within the City's DPW campus located at 26300 Lee BeGole Drive, upon terms and conditions to be set by the DPW Director or designee, and subject to the following limitations:

2.2.1. Fuel: Transit Provider shall have access to the City's fuel station for providing fuel to its vans which service City residents. The DPW Director shall establish a unique pin number for Transit Provider, which must be used to obtain fuel.

2.2.2. Hours of Access: Transit Provider shall have access to fuel pumps 4 a.m. - 10 p.m. Monday through Friday, 4 a.m. – 6 p.m. Saturday, and 7 a.m. – 6 p.m. Sunday.

2.3. Payment for Fuel: The City shall provide a monthly invoice to Transit Provider indicating amount of fuel used by Transit Provider at the rate City is charged by its fuel provider. Payment shall be made by Transit Provider to City within thirty (30) days of receipt of invoice. Transit Provider shall have fifteen (15) business days to notify City's DPW Director of any disputes or questions on a monthly invoice. The Parties shall work cooperatively to resolve all invoice disputes. Amounts not disputed within 15 business days shall be deemed accepted by Transit Provider. Failure to pay the City by the fifteenth day of a month shall be grounds for termination of the Agreement.

2.4. Transit Provider Responsibility for Personal Property: City shall not be responsible for lost, damaged or stolen personal property belonging to the Transit Provider or its Transit Provider Personnel. Transit Provider should maintain renter's insurance for the Transit Provider's building contents, and hereby holds the City harmless for lost, damaged or stolen personal property.

2.5. City is Owner of Facilities: City shall for all purposes remain the owner of the buildings and shall have access to all areas of the building at all times, without notice to the Transit Provider. The right to access the facilities shall not be considered a property interest. The buildings are City property, the City shall be authorized to revoke the access granted under this section at any time, and for any reason. The Transit Provider shall indemnify and hold harmless the City from any and all causes of action, actions, claims, or demands, and from any damages to persons or property of any kind whatsoever, including the building, arising out of the Transit Provider's use, or the use of its personnel or crew members, of the building or property, and shall reimburse the City and its agents and employees for any costs or fees incurred in the defense of or to remedy and such causes of action, actions claims, demands, or damages.

3. PERSONNEL REQUIREMENTS

3.1. Within five (5) days of the Effective Date of this Agreement, Transit Provider shall provide the City with a list of all Transit Provider Personnel who will or may be

assigned to use City Facilities provided under this Agreement. The list shall include each individual's full name, position, title or function they perform, and a copy of any license required by the State of Michigan. This same information must be provided to the Manager of Parks, Recreation & Cultural Services-Older Adult Services Division within ten (10) days of the hiring of new Transit Provider Personnel who will have access to City Facilities under this Agreement. Transit Provider Personnel means individuals retained by Transit Provider either as employees or as contracted individuals, to provide services under this Agreement. Transit Provider shall be required to notify the Manager of Parks, Recreation & Cultural Services-Older Adult Services Division as soon as a Transit Provider employee is no longer assigned to access City Facilities.

- 3.2.** Transit Provider Employees who will be granted access to City Facilities shall be required to wear a City provided ID badge. Transit Provider shall be sponsible for returning the former Transit Provider employee's City ID badge to the Manager of Parks, Recreation & Cultural Services-Older Adult Services Division. Transit Provider will be required to pay the City \$10.00 for any badge that is not returned or is lost.
- 3.3.** The City shall have the right for good cause, to require that Transit Provider Personnel be reassigned and prohibited from having access to City Facilities.
- 3.4.** Transit Provider shall perform a complete criminal history (CCH) background check prior to assigning individuals to access City Facilities.
- 3.5.** Any Transit Provider Personnel with a conviction for Criminal Sexual Conduct (CSC) or violation of any Controlled Substances Act shall not be allowed to access a City Facility.
- 3.6.** Any Transit Provider Personnel with a conviction for theft or larceny within the last five (5) years shall not be allowed to access a City Facility.
- 3.7.** The City reserves the right to perform criminal background checks on Transit Provider Personnel providing services under this Agreement.
- 3.8.** The Transit Provider shall notify the Manager of Parks, Recreation & Cultural Services-Older Adult Services Division if any of its Personnel assigned to access City Facilities are criminally charged with any felony or terminated from employment for any alcohol and/or controlled substance, or larceny problem.

4. TRANSIT PROVIDER WEEKLY MEETINGS

If requested by City, an executive member of the Transit Provider's staff shall participate in weekly in-person meetings with the Manager of Parks, Recreation & Cultural Services-Older Adult Services Division or designee to assess the use of City Facilities.

5. RATES AND FEE COLLECTION

The Transit Provider shall be responsible for ensuring that Eligible Riders are not charged a fee by Transit Provider for using its transit services. As provided in Section 4.2 of the Agreement, Transit Provider shall track rides provided to Eligible Riders and provide a monthly invoice to City.

**EXHIBIT III
TRANSIT PROVIDER PARKING**

