

TOWNSHIP BUS MAINTENANCE AND STORAGE AGREEMENT

Pursuant to the authority of Article VII, Section 10, of the Constitution of the State of Illinois (Ill. Const. Art. VII, §10) and the Intergovernmental Cooperation Act (Ill. Rev. Stat. ch. 127, par 741, et. Seq.) (5 ILCS 220/1, et. seq) the Village of Palatine, an Illinois municipal corporation (the "Village"), and Palatine Township, a body politic and corporate (the "Township") hereby enter into this Intergovernmental Agreement this 3rd day of February, 2014.

WHEREAS, the Township desires to store passenger buses used for transportation of senior citizens and PACE buses on property owned and operated by the Village of Palatine; and

WHEREAS, the Village is willing to allow use of its property, provided that it does not incur additional costs and liability from such use, and the Township will provide the Village with vehicle ignition and door keys for ease of moving vehicles in case of emergency and for maintenance purposes, and

WHEREAS, the Township desires that some of the routine preventative maintenance and minor repair service for these buses will be provided by the Village and the Village is willing to consider providing such services provided that it does not incur additional costs and liability from such use, and

WHEREAS, preventative maintenance shall be defined as lube, oil, filter and inspection of buses and minor repair shall be defined as all repairs necessary to keep buses in safe operating condition not to include major engine, transmission and accident related damages or any other condition in which Fleet Services would normally contract out for repair of Village vehicles,

NOW, THEREFORE, in consideration of the mutual covenants set forth below, the parties hereto agree as follows:

1. The Township shall store the passenger buses at the Palatine Public Works, 148 West Illinois Avenue, Palatine, Illinois, in the area designated by the Village's Director of Public Works from time to time. The vehicles will be stored outside. The Village will make all reasonable arrangements necessary to provide the Township and its employee's access to the area so as to permit scheduled use of the buses. A total of up to three (3) vehicles are covered under this agreement. In exchange for this storage, the Township will pay the Village, if three (3) vehicles are stored, \$1,200 per year payable upon execution of this agreement. Additional passenger buses can be stored off site by the Township, but at the discretion of the Village, may also be maintained by the Village.
2. The Village will provide fuel to the Township for use by the three buses for its governmental purposes, and will bill the Township for such fuel at a rate of \$.10 per gallon above the price per gallon as of last invoice from vendor to cover storage, dispensing and administrative cost.
3. The Village at its sole option will provide preventative maintenance and minor mechanical repairs to the three Township and PACE buses, the scheduling and terms of payment for such maintenance and repairs to be as follows:

- A. The Village shall be reimbursed by the Township at a rate of \$86.56 per hour for its mechanic's time spent maintaining the three buses. This rate will be adjusted annually to reflect any increases that may have occurred for labor cost. The Village will offer maintenance services only Monday through Friday except on Holidays from 6:30 a.m. to 3 p.m. If a Township vehicle requires repairs or maintenance at a time when the Village does not offer maintenance services, the Township reserves the right to have those repairs or maintenance services performed by someone other than the Village at the Township's expense.
- B. Upon presentation of supporting invoices, the Township shall reimburse the Village for all parts used to maintain or repair the buses at a rate of 120% of the actual cost to cover inventory and storekeeper administrative costs.

The Village will not warrant any repairs made to Township buses, and shall not be held responsible for any opinions of the conditions of the vehicles offered by individual employees or the Department.

4. The Township shall provide to the Village a certificate of insurance as evidence that the Township maintains auto liability insurance covering the buses to be stored on the Village property, which insurance shall include personal injury and property damage coverage with limits satisfactory to the Village. The Township insurance policy shall provide coverage to the buses while the buses are under Village control.

5. The Township, in consideration for the covenants of the Village herein, hereby agrees to indemnify the Village, its officers and employees, from and against all claims, damages, losses and expenses, including reasonable attorney's fees, for bodily injury, death, or for property damage, including loss of use, occurring as a result of any act or omission of the Village arising under this agreement.

6. The Village in consideration for the covenants of the Township herein, agrees to indemnify the Township, its officers and employees, from and against all claims, damages, losses and expenses, including reasonable attorney's fees, for bodily injury deaths, or for property damage, including loss of use, occurring as a result of any action omission of the Township arising under this agreement.

7. This Agreement shall run for three years from the date of execution, renewable annually with the concurrence of both parties. Upon the completion of this agreement, either party may initiate the approval of a new agreement as agreed to by both parties. Before this termination date, either party may request in writing a change to the terms of the agreement. The agreement shall not be changed until both parties agree in writing to such a change.

8. This Agreement can be terminated by either party provided that a sixty (60) day written notice is provided to the other party. In the event of a termination, the Village shall return to the Township a prorated amount of the sums the Township advanced under this Agreement.

9. All notices, payments and other instruments required or permitted to be served shall be deemed to have been sufficiently served if delivered or mailed to the following:

Village of Palatine
 Village Manager
 200 E. Wood Street
 Palatine, Illinois 60067

Palatine Township
 Transportation Coordinator
 721 S. Quentin Road
 Palatine, Illinois 60067

IN WITNESS WHEREOF, the parties hereby execute this agreement on the date first above written.

PALATINE TOWNSHIP
By [Signature]
Title Supervisor

VILLAGE OF PALATINE
By [Signature]
Title Village Manager