

COOPERATIVE AGREEMENT

This AGREEMENT, entered into on May 21, 1996, is between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, referred to herein as "STATE", and

CITY OF REDLANDS, a body politic and municipal corporation of the State of California, referred to herein as "CITY".

RECITALS

- (1) STATE has undertaken an extensive Compressed Natural Gas (CNG) Fueled Vehicle Project to implement a number of transportation management strategies aimed at reducing traffic congestion while improving mobility, safety, air quality, and energy efficiencies in a cost-effective manner, and is willing to provide originally equipped manufactured compressed natural gas commuter vehicles for the purpose of implementing and monitoring programs to reduce air pollution from motor vehicles.
- (2) STATE contemplates augmenting a Compressed Natural Gas (CNG) Fueled Vehicle Project by supporting efforts which focus on Interstate 10 and State Route 30 corridors in San Bernardino County, referred to herein as "PROJECT", and is willing to provide CITY with one (1) CNG originally equipped manufactured commuter vans, as specified in the APPENDIX, to be used for implementing a CNG vanpooling program.
- (3) STATE contemplates studying and monitoring PROJECT for purposes of statewide application of ridesharing and utilizing clean fueled motorized vehicles.
- (4) This Agreement supersedes any prior Memorandum of Understanding (MOU) relating to PROJECT.
- (5) The parties hereto desire to define herein the terms and conditions under which said PROJECT will be developed, financed, and implemented.

SECTION I

CITY AGREES:

- (1) To implement PROJECT in accordance with the Compressed Natural Gas (CNG) Fueled Vehicle Project described in the APPENDIX, attached and made part of this Agreement.
- (2) CITY agrees to match PROJECT with two (2) light duty vehicles using a minimum of (40) equivalent gallons of CNG fuel daily, to be purchased, or converted, by December 31, 1996.
- (3) To provide STATE monthly progress reports after receipt of vans by the 15th of each month through December 31, 1997 and annual progress reports through December 31, 1998. These reports will include efforts expended and underway, and related expenses during the current reporting period. These reports will also include the PROJECT effectiveness in reducing commuter trips, all maintenance and repair records, major fuel-related problems and issues, and recommendations for future natural gas vehicle efforts within CITY.
- (4) To assume ownership and liability responsibilities for all vehicles, and to maintain all vehicles at CITY's own cost and expense, and make no claims against STATE for any portion of such expenses.
- (5) To notify STATE in writing within thirty (30) days prior to terminating PROJECT before the date of December 31, 1998, and to provide a report explaining all reasons for termination.
- (6) If CITY terminates PROJECT before the date of December 31, 1998, CITY will reimburse STATE for the current wholesale value of one (1) CNG originally equipped manufactured commuter vehicles acquired, or deliver to STATE the legal titles to vehicles acquired under this Agreement, free and clear of all encumbrances detrimental to STATE's present and future uses. Acceptance of said titles by STATE is subject to a review in STATE's name to be provided and paid for by CITY.
- (7) Upon the PROJECT termination date of December 31, 1998, CITY will retain legal titles to vehicles.

SECTION II

STATE AGREES:

- (1) To implement PROJECT in accordance with the Compressed Natural Gas (CNG) Fueled Vehicle Project described in APPENDIX, attached and made part of this Agreement.
- (2) To provide CITY with one (1) CNG originally equipped manufactured commuter vehicles, as specified in APPENDIX.

SECTION III

IT IS MUTUALLY AGREED:

- (1) All obligations of STATE under the terms of this Agreement are contingent upon the appropriation of resources by Legislature.
- (1a) All obligations of CITY under the terms of this Agreement are contingent upon appropriation of funds by City Council.
- (2) The parties hereto will carry out PROJECT in accordance with APPENDIX, attached and made part of this Agreement, which outlines the responsibilities of the parties hereto. The attached APPENDIX may in the future be modified in writing to reflect changes in responsibilities of the respective parties. Such modifications shall be concurred with by the CITY's representative and STATE's District Director for District 8 and become part of this Agreement, after execution by the respective parties, as an amendment to this Agreement.
- (3) Neither STATE nor any officer or employee thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless the State of California, officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined in Government Code Section 810.8), occurring by reason of anything done or omitted to be done by CITY under or in connection with any

work, authority or jurisdiction delegated to CITY under this Agreement.

- (4) Neither CITY nor any officer or employee thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by STATE under or in connection with any work, authority or jurisdiction delegated to STATE under this Agreement. It is understood and agreed upon that, pursuant to Government Code Section 895.4, STATE shall fully defend, indemnify and save harmless the CITY from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything negligently done or omitted to be done by STATE under or in connection with any work, authority or jurisdiction delegated to STATE under this Agreement.
- (5) No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.
- (6) Operation of vanpools by CITY using vans provided by STATE will conform to the purpose of APPENDIX and federal and state vanpool guidelines.
- (7) CITY and STATE will retain or cause to be retained and will make available for audit or copying by CITY, STATE or other government auditors for a period of three (3) years from date of termination of this Agreement, by written notice or termination of this Agreement by final annual report due December 31, 1998, all records and accounts relating to PROJECT.
- (8) The Contract Cost Principles and Procedures, 48 CFR, Chapter 1, Part 31, and 49 CFR, Part 18, Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments are applicable to this Agreement.

- (9) Unless earlier terminated by written notice, this Agreement shall terminate upon receipt and acceptance by STATE of final annual report due December 31, 1998 for PROJECT.

STATE OF CALIFORNIA
Department of Transportation

JAMES W. VAN LOBEN SELS
Director of Transportation

CITY OF REDLANDS

BY Steve Larson
Mayor

By S. LISIEWICZ,
District Director

Attest: Donna Gayze
city clerk

APPROVED AS TO FORM AND PROCEDURE:

Attorney, Department of Transportation

CERTIFIED AS TO FUNDS:

District Budget Manager

CERTIFIED AS TO PROCEDURE:

District Accounting Administrator

APPENDIX

WORK PLAN FOR THE CITY OF REDLANDS
COMPRESSED NATURAL GAS FUELED VEHICLE PROJECT

OPENING STATEMENT

The following document summarizes a proposed work plan for the demonstration of City of Redlands Compressed Natural Gas (CNG) Fueled Vehicle Project.

The structure of the proposal contains the goal, objective, requirements, and project budget.

GOAL

Project is to promote the use of cleaner fueled commuter ridesharing vehicles as a traffic demand management strategy while working toward meeting federal and state energy goals and air quality standards. The commitment to purchase and operate these CNG vehicles in the City of Redlands is essential to maintaining a CNG fueling station.

OBJECTIVE

Project is to provide one (1) dedicated CNG originally equipped manufactured commuter van to the City of Redlands. This will be matched by vehicle(s) using a minimum of forty (40) equivalent gallons of CNG fuel daily, purchased by December 31, 1996. CITY match will be contingent upon availability of local funds for vehicle purchases.

REQUIREMENTS - VANS

A vanpool vehicle is eligible under the following conditions:

The vanpool vehicle is a four wheeled vehicle manufactured for use on public highways for transportation of 7-15 passengers (excluding passenger cars which do not meet the 7-15 passenger criteria and buses); and

Provision is made for repayment of the acquisition cost to the project within the passenger life of the vehicle. Repayment may be accomplished through the charging of a reasonable user fee based on an estimated number of riders per vehicle and the cost of reasonable vehicle depreciation,

operation, and maintenance. Repayment is not required under the following conditions:

When vehicles are purchased as demonstrator vans for use as a marketing device. Vehicles procured for this purpose should be used to promote the vanpool concept among employees, employers, and other groups by allowing potential riders and sponsors to examine commuter vans" or,

When vehicles are purchased for use on a trial commuting basis to enable people to experience vanpooling first hand. The trial period must be limited to a maximum of two months. That part of the user fee normally collected to cover the capital or ownership cost of the van would be eligible for reimbursement as a promotional cost during the limited trial period. As with established vanpool service, all vehicle operating costs must be borne by the user(s) during the trial period.

PROJECT BUDGET

CNG originally equipped manufactured commuter vehicles (vans) were originally purchased for project purposes by the Victor Valley Transit Service Authority (VVTA) under Cooperative Agreement 08-848. The State reimbursed VVTA the amount of \$25,100.00 for each vehicle covered in this Agreement---\$25,100.00 reimbursement cost for one (1) van. Due to the unavailability of a fueling infrastructure, the program could not be implemented. Victor Valley Transit Service Authority requested the cancellation of Agreement 08-848 and returned the vans to the STATE. One van is being transferred to the City of Redlands under this Agreement. The 1994 Dodge Ram 350 CNG originally equipped manufactured commuter vans; VIN #2B5WB35T3RK584231⁰, LIC. #E001932 represents the STATE's total resources available to this PROJECT. There will be no further monetary transactions.

AP

Initial