

**INTERLOCAL TRANSIT SERVICES AGREEMENT**

THIS INTERLOCAL TRANSIT SERVICES AGREEMENT (the “Agreement”) is made and entered into as of July 1<sup>st</sup>, 2022 (the “Effective Date”), by and between the **CITY OF CONCORD**, a North Carolina municipal corporation, by and through its public transit department, the **Rider System** (hereinafter referred to as “Concord” or “Rider”); and the **CITY OF CHARLOTTE**, a North Carolina municipal corporation, by and through its public transit department, the **Charlotte Area Transit System** (hereinafter referred to as “Charlotte” or “CATS”).

**RECITALS**

WHEREAS, Concord operates and provides, through Rider and/or its contractors, the Concord Charlotte Express (CCX) public transit service connecting Cabarrus County destinations to destinations within Mecklenburg County, thereby reducing vehicular traffic on the roadways of Cabarrus and Mecklenburg Counties in North Carolina; and

WHEREAS, the parties desire to continue regional public transit service between Concord and Charlotte, in accordance with Rider and CATS’ Mission and Policies and upon conditions as agreed upon by the parties; and

WHEREAS, pursuant to North Carolina General Statute §160A-461, the parties may enter into Interlocal Agreements to jointly undertake public enterprise activities, such as the provision of regional transit service;

NOW, THEREFORE, in consideration of the payments, covenants, terms and conditions hereinafter set forth, the parties hereby agree as follows:

**AGREEMENT**

1. **INCORPORATION OF EXHIBITS.** The following Exhibits are attached to this Agreement and are fully incorporated into this Agreement by this reference:

- Exhibit A: Service Schedule
- Exhibit B: Project Operating Costs
- Exhibit C: Public Input Requirement Procedures – Rider System
- Exhibit D: Public Input Requirement Procedures – Charlotte Area Transit System  
Major Service Changes and/or Fare Change Reviews (CATS CivR01)  
Public Process for Fare and Service Changes (CATS MC01)

Each reference to this Agreement shall be deemed to include all incorporated Exhibits. Any conflict between language in the body of this Agreement and an Exhibit shall be resolved in favor of the main body of this Agreement.

2. DEFINITIONS.

- 2.1. PROJECT: The implementation and operation of a regional commuter bus service between the Concord and Charlotte during the term of this Agreement.
- 2.2. PROJECT OPERATING COSTS: All costs required for the Project during the term of this Agreement, including but not limited to preventive and routine maintenance of the necessary equipment and administrative costs.
- 2.3. PROPORTIONAL SHARE: The portion or share of the Project Operating Costs which Charlotte has agreed to undertake and pay according to the terms of the Agreement.

3. FEDERAL REQUIREMENTS.

- 3.1. FEDERAL FUNDS AND REQUIREMENTS. The parties acknowledge that they both receive funds from the Federal Transit Administration (FTA) for certain costs of their public transit system and are, therefore, required to meet certain federal requirements. Both parties agree to follow, or otherwise cooperate in, compliance with applicable federal requirements, including but not limited to amendment of this Agreement if required.
- 3.2. SERVICE MODIFICATION, PUBLIC INPUT. As federal grantees, both parties must develop and employ a “locally developed process” to solicit, receive and consider public input before carrying out a major reduction or termination of transportation services or a substantial increase in the costs of service. Concord’s locally developed process is incorporated as **Exhibit C** and Charlotte’s locally developed process is incorporated as **Exhibit D**. Each party agrees to cooperate with the other party in each party’s implementation of its locally developed process for public input as provided herein and as may be amended, when required.

4. PURPOSE, SERVICE.

- 4.1. PURPOSE. The purpose of this Interlocal Agreement is to set forth terms and conditions by which Concord, acting through Rider, will provide regional commuter bus service between Concord and Charlotte and to ensure that such service shall be provided in accordance with all applicable federal, state, and local laws and Rider and CATS’ Mission and Policies.
- 4.2. SERVICE.
  - 4.2.1. Service Routes. Rider, in consultation with the CATS, has established appropriate service routes and schedules for transit service between Concord and Charlotte, and shall define such other components related to the service to be provided pursuant to this Agreement as needed. The current service schedule is attached as **Exhibit A** and incorporated herein. Route modifications may be made as needed to ensure an effective connection between Rider and CATS.

4.2.2. Service Quality. The objective of the Concord Charlotte Express Service (CCX) is to operate in a manner that is safe, reliable, and efficient and which maximizes potential ridership. To ensure quality service and to promote effective communications, the parties will meet at regular intervals, as from time to time agreed.

4.2.3. Personnel. Concord shall provide all personnel for the Project through its existing contract for transit management services. All jurisdiction, authority, rights, privileges, and immunities (including under North Carolina workers' compensation laws) enjoyed by the officers, agents, and employees of Concord and its transit management provider within the territory of Concord shall be enjoyed within the territory of Charlotte when they are acting within the scope of their authority or the course of their employment.

4.2.4. Vehicles. Concord shall provide vehicles for the Project and title to the vehicles, including all replacement parts, shall remain with Concord throughout the Project and at termination of the Project.

4.2.5. Termination/Modification of Project. Subject to the obligations set forth in Section 8, Concord shall have the right to evaluate, modify, or terminate the Project, in consultation with Charlotte, in accordance with adopted CATS' Financial and Service Policies, including but not limited to **Exhibit D**, as those policies may be amended from time to time.

5. FINANCIAL SUPPORT.

5.1. APPORTIONMENT OF COSTS. The Project Operating Costs and the Proportional Share of the Project Operating Costs to be paid by CATS are set forth in **Exhibit B**.

5.2. SERVICE COST SHARE. Charlotte agrees to pay Concord 50% of (a) the annual Project Operating Costs minus (b) any fare revenue, as specifically defined in **Exhibit B**, in 12 equal monthly installments beginning July 1st, 2022, and, unless sooner amended, adjusted annually based on the prior year operating costs, continuing so long as this Agreement shall remain in effect.

6. INVOICES. Concord shall invoice Charlotte on a monthly basis. Charlotte shall remit all payments within thirty (30) days of receiving each monthly invoice to the address shown on the invoice or to:

Rider Transit Center  
45 Transit Court NW  
Attn: L.J. Weslowski  
Concord, NC 28025

7. ADMINISTRATION. Each party shall designate a Project Administrator to oversee the administration of this Agreement. Each Project Administrator shall be responsible for the

coordination, management, and oversight of the Project necessary to carry out the terms of this Agreement. Until the parties give written notice otherwise, the Project Administrators are:

For Charlotte:

Pamela White  
Charlotte Area Transit System  
600 East Fourth Street  
Charlotte, North Carolina 28202  
Telephone: 704-336-2226  
Email: [pwhite@charlottenc.gov](mailto:pwhite@charlottenc.gov)

For Concord:

L.J. Weslowski  
Rider Transit System  
45 Transit Court NW  
Concord, North Carolina 28025  
Telephone: 704-920-5878  
Email: [weslowlj@concordnc.gov](mailto:weslowlj@concordnc.gov)

8. TERM, TERMINATION, MODIFICATION.

8.1. TERM. This Agreement is effective as of July 1, 2022, and shall remain in effect until June 30, 2024 (the "Initial Term"). The parties shall have the option to extend the Agreement for up to five (5) additional one-year terms beyond the Initial Term. The Agreement shall automatically renew on July 1st for another year term unless either party provides written notice of intent not to renew no later than March 1st. Such automatic extensions will not continue beyond the five option year terms provided in this Section. The parties agree that upon the Effective Date of this Agreement, the previous Interlocal Transit Services Agreement 2019000119 between the parties shall be terminated.

8.2. TERMINATION/MODIFICATION OF SERVICE. For purposes of this Agreement, any reduction or termination of any portion of the service or service route established by this Agreement shall constitute a "major reduction in service" for purposes of the federal requirements outlined in Section 3 above. Charlotte shall provide no less than one-hundred twenty-five (125) days written notice to Concord for any requested modification, reduction in, or elimination of service, including any proposed reduction in its share of the Project Operating Costs.

8.2.1. Estimated Project Operating Costs. Concord shall supply Charlotte with Concord's estimate of the Project Operating Costs for the upcoming term of service, prior to February 1st before said term begins ("Estimated Project Operating Costs"). The City shall notify Concord whether or not it intends to continue its participation in the Project by March 1st after having received the Estimate of Project Operating Costs.

8.3. TERMINATION.

8.3.1. Termination for Convenience. Either party may terminate this Agreement at any time, without cause, upon no less than one-hundred twenty-five (125) days written notice to the other party. CATS shall still be obligated to pay its share of the Project Operating Costs for the then current fiscal year of the Agreement through the date of termination.

8.3.2. Termination for Default. Concord may terminate this Agreement for default in the event the Charlotte fails to make timely payment. Such termination shall not

relieve the Charlotte from its obligation to pay its share of the Project Operating Costs for the then current fiscal year of the Agreement through the date of termination. Charlotte may terminate this Agreement for default in the event Concord fails to provide service per the terms of this Agreement. Such termination shall relieve the Charlotte from its obligation to pay its share of the Project Operating Costs retroactive to the date of service termination.

8.3.3. Authority to Terminate. The following persons are authorized to terminate this Agreement on behalf of the parties: (a) the Concord or Charlotte City Managers, and any Assistant Concord or Charlotte City Manager or any designee of the Concord or Charlotte City Managers; (b) the Chief Executive Officer of the Charlotte Area Transit System.

9. NOTICES AND PRINCIPAL CONTACTS.

9.1. Any notice, consent or other communication required or contemplated by this Agreement shall be in writing, and shall be delivered in person, by U.S. mail, by overnight courier, or by electronic mail to the Principal Contact of the intended recipient, identified below, at the address set forth below.

For Charlotte:

Pamela White  
Charlotte Area Transit System  
600 East Fourth Street  
Charlotte, North Carolina 28202  
Telephone: 704-336-2226  
Email: [pwhite@charlottenc.gov](mailto:pwhite@charlottenc.gov)

For Concord:

L.J. Weslowski  
Rider Transit System  
45 Transit Court NW  
Concord, North Carolina 28025  
Telephone: 704-920-5878  
Email: [weslowlj@concordnc.gov](mailto:weslowlj@concordnc.gov)

Communications that relate to any breach, default, termination, delay in performance or prevention of performance, modification, extension, amendment, or waiver of any provision of this Agreement shall further be copied to the following (in addition to being sent to the individuals specified above):

Concord City Attorney  
35 Cabarrus Avenue W  
Concord, NC 28025  
Telephone: 704-920-5118  
[kolczynv@concordnc.gov](mailto:kolczynv@concordnc.gov)

City of Charlotte Attorney's Office - CATS Legal  
600 East Fourth Street  
Charlotte, NC 28202  
Telephone: 704-336-2254

Email: [stuart.pratt@charlottenc.gov](mailto:stuart.pratt@charlottenc.gov)

Notice shall be effective upon the date of receipt by the intended recipient; provided that any notice that is sent by electronic mail shall also be simultaneously sent by mail deposited with the U.S. Postal Service or by overnight courier. Each party may change its address for notification purposes by giving the other party written notice of the new address and the date upon which it shall become effective.

10. MISCELLANEOUS.

- 10.1. ENTIRE AGREEMENT. This Agreement is the entire agreement between the parties with respect to its subject matter, and there are no other representations, understandings, or agreements between the parties with respect to such subject matter. This Agreement supersedes all prior agreements, negotiations, representations, and proposals, written or oral.
- 10.2. AMENDMENT. No amendment, addition or change to this Agreement shall be valid unless it is in writing, makes specific reference to it by date, is then currently dated, and is signed by both parties to this Agreement.
- 10.3. GOVERNING LAW, JURISDICTION AND VENUE. North Carolina law shall govern the interpretation and enforcement of this Agreement and any other matters relating to this Agreement (all without regard to North Carolina conflicts of law principles). Any and all legal actions or proceedings relating to this Agreement shall be brought in a state or federal court sitting in Mecklenburg County, North Carolina. By the execution of this Agreement, the parties submit to the jurisdiction of said courts and hereby irrevocably waive any and all objections that they may have with respect to venue in any court sitting in Mecklenburg County, North Carolina. This Section shall not apply to subsequent actions to enforce a judgment entered in actions heard pursuant to this Section.
- 10.4. BINDING NATURE AND ASSIGNMENT. This Agreement shall bind the parties and their successors and permitted assigns. Neither party may assign this Agreement without the prior written consent of the other. Any assignment attempted without the written consent of the other party shall be void.
- 10.5. SPECIAL OR CONSEQUENTIAL DAMAGES. Neither party shall be liable to the other party, or the other party's agents or representatives, for or on account of any stoppages or delay in the performance of any of its obligations, or any other consequential, indirect, or special damages or lost profits related to this Agreement.
- 10.6. SEVERABILITY. The invalidity of one or more of the phrases, sentences, clauses, or sections contained in this Agreement shall not affect the validity of the remaining portion of the Agreement so long as the material purposes of the Agreement can be determined and effectuated. If any provision of this Agreement is held to be unenforceable, then both parties shall be relieved of all obligations arising under such provision, but only to the extent that such provision is unenforceable, and this

Agreement shall be deemed amended by modifying such provision to the extent necessary to make it enforceable while preserving its intent.

- 10.7. NO PUBLICITY. No advertising, sales promotion, representations, or other materials of Concord or its agents may identify or reference this Agreement or Charlotte in any manner absent the written consent of Charlotte. Notwithstanding the forgoing, the Concord may list the Charlotte as a reference in responses to requests for proposals and may identify Charlotte as a customer in presentations to potential customers.
- 10.8. REPORTS. Concord shall maintain service-related records, including ridership numbers, in such formats as the parties may agree. Such records shall be available to Charlotte for examination and inspection upon request or according to any scheduled reporting periods to which the parties may agree.
- 10.9. APPROVALS. All approvals and consents required under this Agreement must be in writing.
- 10.10. WAIVER. No waiver of any provision of this Agreement shall be effective unless in writing and signed by the party waiving the rights. No delay or omission by either party to exercise or enforce any right or remedy it has under this Agreement shall impair or be construed as a waiver of such right or remedy. A waiver by either party of any covenant or breach of this Agreement shall not constitute or operate as a waiver of any succeeding breach or of any other covenant.
- 10.11. SURVIVAL OF PROVISIONS. All provisions of this Agreement which by their nature and effect are required to be observed, kept, or performed after termination of this Agreement shall survive the termination of this Agreement and remain binding thereafter, including but not limited to the following:

Section 8	“Term, Termination, Modification”
Section 9	“Notices”
Section 10	“Miscellaneous”
- 10.12. FAMILIARITY AND COMPLIANCE WITH LAWS AND ORDINANCES. Concord agrees to make itself aware of and comply with all local, state and federal ordinances, statutes, laws, rules and regulations applicable to this Agreement. Concord further agrees that at all times during the term of this Agreement it will not discriminate on the basis of race, gender, religion, national origin, ethnicity, age, disability or other legally protected category in the performance of this Agreement. Concord further agrees to be, and at all times remain in compliance with all applicable federal, state and/or local laws regarding employment practices. Such laws will include, but not be limited to, workers’ compensation, the Fair Labor Standards Act (FLSA), the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA) and all OSHA regulations applicable to the work.
- 10.13. CONSTRUCTION OF TERMS. Each of the parties has agreed to the use of the particular language of the provisions of this Agreement and any questions of doubtful interpretation shall not be resolved by any rule of interpretation against the drafters, but rather in accordance with the fair meaning thereof, having due regard to the

benefits and rights intended to be conferred upon the parties hereto and the limitations and restrictions upon such rights and benefits intended to be provided.

10.14. RELATIONSHIP OF THE PARTIES. The relationship of the parties established by this Agreement is solely that of independent Contractors. Nothing contained in this Agreement shall be construed to (i) give any party the power to direct or control the day-to-day administrative activities of the other; or (ii) constitute such parties as partners, co-owners or otherwise as participants in a joint venture. Neither party nor its agents or employees is the representative of the other for any purpose, and neither party has power of authority to act for, bind, or otherwise create or assume any obligation on behalf of the other.

IN WITNESS THEREOF, and in acknowledgment that the parties hereto have read and understood each and every provision hereof, the parties have caused this Agreement to be executed on the date first written above.

**CITY OF CHARLOTTE**

**CITY OF CONCORD**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
City of Charlotte Officer

\_\_\_\_\_  
Date

**Exhibit B (Project Operating Costs)**

FY 21-22 CCX Service Cost	= \$345,502.23
FY 21-22 Fuel Cost	= \$ 58,420.60
Total FY 21-22 Operating Cost	= \$403,922.83
FY 21-22 Fare Revenue	= <u>\$ 10,208.58</u>
Total Net Operating Cost	= \$393,714.25
<b>50% Net Operating Cost/CATS share for FY 22-23</b>	<b>= \$196,857.12</b>