



Selkirks-Pend Oreille Transit Authority

Public Notice of Regular Board Meeting Agenda

11:00 am, Thursday, June 17, 2021, SPOT Office

31656 Hwy 200, Suite 102. Ponderay, ID

Zoom Meeting ID: 811 4417 6877

Passcode: 991900

1. Call to Order and Roll Call
2. Public comment period for items not on the Agenda (including questions from the press)
3. Approval of Minutes
 - a. Action Item: Approve Minutes of the May 20, 2021 regular meeting.
4. Financial Reports
 - a. Action Item: Accept Financial Reports for May 2021
 - b. Action Item: Approve Payment of Prepaid Bills and Outstanding Bills
5. Staff Reports
 - a. Ridership – David Sims
 - b. Operations – David Sims
6. Committee Reports
 - a. Boundary County Service Development Committee
 - b. Finance Committee Update
7. Action and Discussion Items:
 - a. Action Item: Authorize Board Chair to sign ICRMP Joint Powers Agreement
 - b. Action Item: Mountain Route bus purchase approval
 - c. Action Item: Approve updated Drug and Alcohol Policy
 - d. Action Item: Approve Washington State Transit Bus Cooperative Purchasing Agreement
 - e. Action Item: Approve purchase of two route buses from the Washington State Transit Bus Cooperative Purchasing Agreement
8. Comments from the Chair and Board Members
9. Adjournment

Note: Public information on agenda items is available from the SPOT office at 31656 Highway 200 Suite 102, Ponderay, ID or call (208) 263-3774. Any person needing special accommodations at the above noticed meeting should contact SPOT three days prior to the meeting at (208) 263-3774.

**MEETING MINUTES
SPOT**



**SELKIRK PEND OREILLE TRANSIT
May 20, 2021**

NANCY LEWIS CALLED THE MEETING TO ORDER AT 11:02 A.M.

PRESENT: Clif Warren, Colleen Culwell, David Sims, Nancy Lewis, Ron Smith, Shannon Pittman, Zale Palmer

Absent: Gary Kunzeman, Wally Cossairt

MINUTES: Approve minutes of the April 15, 2021 regular meeting as presented.

Motion to Approve: Clif Warren/ Ron Smith. All in favor. Approved

FINANCIAL REPORTS:

- A. Accept Financial Reports for April. The Finance Committee reviewed the financial reports. Zale reported we are under budget. Fuel costs are rising.

Motion to approve financial reports: Clif Warren/ Nancy Smith. All in favor. Approved

- B. Approve payment of prepaid bills and outstanding bills.

Motion to approve payment of prepaid bills and outstanding bills: Zale Palmer / Ron Smith. All in favor. Approved

STAFF REPORTS:

Ridership: David Sims reported that ridership for April was down from the previous month. So far May is trending to show an increase. Demand ridership is still soft in both counties.

Operations: The bus shelter at WalMart is almost complete. We need to have two more completed before the grant expires September 30th. Eureka Institute claims they have already purchased the materials for the remaining shelters. We are waiting for approvals from the jurisdictions where the additional shelters will be placed. Potential sites are by the coffee shop across from the Mall and by Home Depot. The bid packages for the Mountain Route buses will be sent out as soon as ITD approves it. Bid packages for the 2 additional route buses and the additional Bonners Ferry bus should be sent out early June. We have two older buses ready for auction. Waiting for ITD to inspect them in person to obtain a more accurate appraisal of their value. The mask order for transit is still in effect. The ITD intercity bus advisory group met last month. They are not interested in funding new routes. Focus is on keeping existing routes going due to decreased ridership statewide.

COMMITTEE REPORTS:

- A. **Boundary County Service Development Committee:** Ron Smith asked when the estimated match amounts for next fiscal year will be going out. David Sims reported he already sent them out.

- B. **Finance Committee Update:** Zale Palmer reported the financial committee reviewed the financial reports and also discussed the budget for 2022-2024. Due to the funding cycle, we need to incorporate any potential route changes into the budget forecast.

ACTION & DISCUSSION ITEMS:

- A. Discussion Item: Discuss 2022-2024 grant application.** The grant to review potential changes to our routes cannot be spent until October 2021, but we have to submit our grant application for 2022-2024 by November 2021. We need to incorporate any potential route changes into this grant application before the study can be completed. There is significant housing expansion in Ponderay plus they will be starting construction on the Field of Dreams. Significant new construction in all cities that SPOT covers. We need to get letters of support from each city to show the increased need for more stops and/or route changes. This needs to be seen as changes to our existing service and not an expansion or new route. ITD has indicated interest in only existing services. Expansion is lowest priority.

No action taken.

COMMENTS FROM THE CHAIR AND BOARD MEMBERS: None

Meeting adjourned 11:27 a.m.

Selkirks-Pend Oreille Transit Authority
Summarized Balance Sheet
As of May 31, 2021

ASSETS	Bonner County	Boundary County	Van Pool	Total
Current Assets				
Checking/Savings	310,768.61	14,814.62	4,413.69	329,996.92
Accounts Receivable	1,199.50	257.00	0.00	1,456.50
Grant Funds Receivable	79,501.00	5,987.00	0.00	85,488.00
Total Other Current Assets	29,980.49	2,271.00	0.00	32,251.49
Total Current Assets	421,449.60	23,329.62	4,413.69	449,192.91
Total Fixed Assets	1,034,368.01	72,360.37	0.00	1,106,728.38
TOTAL ASSETS	1,455,817.61	95,689.99	4,413.69	1,555,921.29
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities	27,845.52	1,641.42	0.00	29,486.94
Equity	1,427,972.09	94,048.57	4,413.69	1,526,434.35
TOTAL LIABILITIES & EQUITY	1,455,817.61	95,689.99	4,413.69	1,555,921.29

2:51 PM
06/11/21
Accrual Basis

**Selkirks-Pend Oreille Transit Authority
Summary Profit & Loss Budget vs. Actual
May 2021**

	Bonner County		Boundary County		Mountain Route		Van Pool		Total	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Total Income	32,248.50	36,365.23	3,274.00	4,639.36	1,212.00	963.34	0.00	0.00	36,734.50	41,967.93
Expenses:										
Administration	8,630.69	9,145.88	326.73	609.78	1,150.59	1,189.70	0.00	0.00	10,108.01	10,945.36
Operations	30,008.51	31,789.91	3,123.98	4,080.42	149.90	20.00	0.00	0.00	33,282.39	35,890.33
Preventative Maintenance	6,463.24	6,422.44	561.67	579.31	212.55	0.00	0.00	0.00	7,237.46	7,001.75
Total Expenses	45,102.44	47,358.23	4,012.38	5,269.51	1,513.04	1,209.70	0.00	0.00	50,627.86	53,837.44
Net Ordinary Income	-12,853.94	-10,993.00	-738.38	-630.15	-301.04	-246.36	0.00	0.00	-13,893.36	-11,869.51
Other Income/Expense	18.17	-3,499.58	0.00	0.00	0.00	0.00	0.00	0.00	18.17	-3,499.58
Net Income	-12,835.77	-14,492.58	-738.38	-630.15	-301.04	-246.36	0.00	0.00	-13,875.19	-15,369.09

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2:51 PM
06/11/21
Accrual Basis

**Selkirks-Pend Oreille Transit Authority
Summary Profit & Loss Budget vs. Actual
October - May 2021**

	Bonner County		Boundary County		Mountain Route		Van Pool		Total	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Total Income	394,890.45	513,916.22	38,171.90	58,428.38	161,108.88	192,537.75	0.00	0.00	594,171.23	764,882.35
Expenses:										
Administration	67,977.01	83,966.82	5,814.12	5,938.28	13,584.72	19,329.20	0.00	0.00	87,375.85	109,234.30
Operations	241,543.78	270,640.48	25,817.17	38,735.10	95,089.20	133,653.62	0.00	0.00	362,450.15	443,029.20
Preventative Maintenance	45,272.82	53,239.38	1,136.65	5,734.47	28,867.62	24,777.83	0.00	0.00	75,277.09	83,751.68
Total Expenses	354,793.61	407,846.68	32,767.94	50,407.85	137,541.54	177,760.65	0.00	0.00	525,103.09	636,015.18
Net Ordinary Income	40,096.84	106,069.54	5,403.96	8,020.53	23,567.34	14,777.10	0.00	0.00	69,068.14	128,867.17
Other Income/Expense	153.80	-60,220.68	0.00	0.00	0.00	0.00	0.00	0.00	153.80	-60,220.68
Net Income	40,250.64	45,848.86	5,403.96	8,020.53	23,567.34	14,777.10	0.00	0.00	69,221.94	68,646.49

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9:17 AM

06/10/21

Selkirks-Pend Oreille Transit Authority
Unpaid Bills Detail
As of June 10, 2021

Type	Date	Num	Open Balance
Bonner General Health			
Bill	05/03/2021	April testing	20.00
Total Bonner General Health			20.00
Bryson Sales & Service, Inc.			
Bill	05/21/2021	178392	61.98
Total Bryson Sales & Service, Inc.			61.98
Grizzly Glass Centers			
Bill	05/10/2021	H0132530	285.00
Total Grizzly Glass Centers			285.00
Oxarc Inc.			
Bill	05/12/2021	31255268	42.45
Bill	05/12/2021	31255715	20.60
Total Oxarc Inc.			63.05
TOTAL			430.03

Selkirks-Pend Oreille Transit Authority
Paid Bills Detail
As of May 28, 2021

	Type	Date	Num	Open Balance
Coleman Oil				
	Bill	05/16/2021	CL62901	1,270.29
	Bill	05/23/2021	CL63815	1,378.22
Total Coleman Oil				2,648.51
Goldenwest Mobility				
	Bill	05/07/2021	21922	163.35
	Bill	05/14/2021	21947	163.35
Total Goldenwest Mobility				326.70
Les Schwab				
	Bill	05/17/2021	10800621115	119.94
Total Les Schwab				119.94
Mike White Ford of Sandpoint				
	Bill	05/12/2021	17380	33.81
	Bill	05/19/2021	17508	35.73
	Bill	05/20/2021	17523	307.55
	Bill	05/21/2021	17554	149.95
	Bill	05/24/2021	4078	32.78
	Bill	05/26/2021	17641	35.73
Total Mike White Ford of Sandpoint				595.55
Pressure Clean Services, Inc.				
	Bill	05/15/2021	14900	240.50
	Bill	05/22/2021	14921	237.50
Total Pressure Clean Services, Inc.				478.00
Verizon Wireless				
	Bill	05/13/2021	9879740841	247.68
Total Verizon Wireless				247.68
Zipty Fiber - BF				
	Bill	05/13/2021		38.89
Total Zipty Fiber - BF				38.89
TOTAL				4,455.27

Selkirks-Pend Oreille Transit Authority
Paid Bills Detail
As of June 10, 2021

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Open Balance</u>
Bonner County Daily Bee				
	Bill	05/31/2021		37.72
Total Bonner County Daily Bee				37.72
Coleman Oil				
	Bill	05/31/2021	CL64790	1,442.52
	Bill	06/06/2021	CL69398	1,448.56
Total Coleman Oil				2,891.08
First Bankcard				
	Bill	05/28/2021		411.58
Total First Bankcard				411.58
Goldenwest Mobility				
	Bill	05/21/2021	21966	163.35
Total Goldenwest Mobility				163.35
Mike White Ford of Sandpoint				
	Bill	06/02/2021	17742	50.82
	Bill	06/04/2021	4239	79.66
	Bill	06/08/2021	17835	33.81
	Bill	06/09/2021	17859	48.90
Total Mike White Ford of Sandpoint				213.19
Mountain Ledgers				
	Bill	05/31/2021	5600	697.50
Total Mountain Ledgers				697.50
Pressure Clean Services, Inc.				
	Bill	05/29/2021	14944	240.00
	Bill	06/05/2021	14964	188.00
Total Pressure Clean Services, Inc.				428.00
R&L Property Management				
	Bill	06/02/2021	Rent 7/1-12/31/21	2,910.00
Total R&L Property Management				2,910.00
Ziply Fiber				
	Bill	05/22/2021		172.89
Total Ziply Fiber				172.89
TOTAL				7,925.31

SPOT Ridership

2021	Fixed	Demand	Van Pool	Bonniers Ferry	Mountain Route	Total
January	3,334	270		111	9,300	13,015
February	3,278	311		96	7,894	11,579
March	4,345	414		111	6,715	11,585
April	3,513	331		97	1,531	5,472
May	3,949	299		69	0	4,317
June						0
July						0
August						0
September						0
October						0
November						0
December						0
TOTAL YTD	18,419	1,625	0	484	25,440	45,968

2020	Fixed	Demand	Van Pool	Bonniers Ferry	Mountain Route	Total
January	4,869	397	258	320	18,478	24,322
February	4,820	404	226	267	13,992	19,709
March	3,463	319	182	140	6,139	10,243
April	1,702	101	0	90	0	1,893
May	2,575	164	8	86	0	2,833
June	3,103	287	94	97	0	3,581
July	3,009	387	160	123	0	3,679
August	2,933	313	140	83	0	3,469
September	3,132	314	0	118	0	3,564
October	3,152	391	0	120	0	3,663
November	2,735	293	0	119	746	3,893
December	3,213	289		85	7,241	10,828
TOTAL YTD	38,706	3,659	1,068	1,648	46,596	91,677

2019	Fixed	Demand	Van Pool	Bonniers Ferry	Mountain Route	Total
January	4,579	439	236	271		5,525
February	3,847	373	262	215	5,963	10,660
March	4,776	443	276	253	11,583	17,331
April	4,846	452	332	257	1,699	7,586
May	4,618	446	254	245		5,563
June	4,129	381	244	256		5,010
July	4,189	460	284	249		5,182
August	7,984	389	272	225	1,594	10,464
September	4,042	401	268	230	1,269	6,210
October	4,310	457	294	239		5,300
November	4,473	395	232	226	393	5,719
December	4,806	383	212	258	13,013	18,672
TOTAL	56,599	5,019	3,166	2,924	35,514	103,222

*2,934
Festival

2018	Fixed	Demand	Van Pool	Bonniers Ferry	Total
January	5,201	391	204	207	6,003
February	4,885	341	322	233	5,781
March	5,931	345	320	247	6,843
April	5,962	367	324	188	6,841
May	4,742	351	270	212	5,575
June	4,578	335	146	253	5,312
July	4,704	363	224	216	5,507
August	8,173	302	256	237	8,968
September	4,390	358	192	214	5,154
October	4,324	401	232	193	5,150
November	4,084	457	242	241	5,024
December	4,295	392	244	167	5,098
TOTAL	61,269	4,403	2,976	2,608	71,256

*2,907
Festival

SPOT Agenda Item Summaries

Meeting Date: June 17, 2021

Agenda Item: 7A

From: David Sims

Topic: Authorize Board Chair to sign ICRMP Joint Powers Agreement

Background: Attached is the ICRMP Joint Powers Agreement. ICRMP provides our liability and property insurance coverage, and we are required to sign the agreement to continue with ICRMP coverage.

Meeting Date: June 17, 2021

Agenda Item: 7B

From: David Sims

Topic: Mountain Route bus purchase approval

Background: We received bids for the Mountain Route buses. We are working with ITD on the bid results, and we will have a recommendation for the board at the meeting.

Meeting Date: June 17, 2021

Agenda Item: 7C

From: David Sims

Topic: Approve updated Drug and Alcohol Policy

Background: The FTA periodically updates compliance requirements for drug and alcohol policies. The attached policy was generated using the FTA Policy Builder program, and meets the current FTA requirements.

Meeting Date: June 17, 2021

Agenda Item: 7D

From: David Sims

Topic: Approve Washington State Transit Bus Cooperative Purchasing Agreement

Background: ITD has entered into agreement with the State of Washington to allow Idaho transit providers to purchase buses from the Washington State Master Contract for Transit Buses. This will allow us to purchase buses from the Washington contract instead of soliciting bids from vendors. This will simplify the procurement process, and allow us more control over the buses that are selected. This is allowed under Idaho Code 67-2807:

67-2807. COOPERATIVE PURCHASING. With the approval of its governing board, a political subdivision may participate in cooperative purchasing agreements with the state of Idaho, other Idaho political subdivisions, other government entities, or associations thereof. Political subdivisions may also participate in cooperative purchasing programs established by any association that offers its goods or services as a result of competitive solicitation processes. Goods or services procured by participation in such cooperative agreements or programs shall be deemed to have been acquired in accordance with the requirements of this chapter.

Attached is the ITD Memorandum of Agreement with Washington for reference, and the purchasing agreement between SPOT and the State of Washington that needs to be approved.

Meeting Date: June 17, 2021

Agenda Item: 7E

From: David Sims

Topic: Approve purchase of two route buses from the Washington State Transit Bus Cooperative Purchasing Agreement

Background: SPOT received 5339 grant funding for two buses for our fixed routes. I have contacted one of the approved vendors in the Washington Transit Bus Purchasing Agreement, and deliveries are currently six months beyond the date of order. I am requesting authorization to order the buses when our Washington agreement is approved, with the purchase price not to exceed the 5339 grant award amount of \$85,000 per bus.



Member Owned, Member Driven

JOINT POWERS SUBSCRIBER AGREEMENT

APPROVED BY BOARD OF TRUSTEES
FOR USE AFTER JULY 22, 2020

JOINT POWERS SUBSCRIBER AGREEMENT

Idaho Counties Risk Management Program, Underwriters

THIS AGREEMENT is entered into pursuant to the provisions of Idaho Code, Sections 67-2326 through 67-2333, relating to the joint exercise of powers among political subdivisions of the State of Idaho, by political subdivisions of the state of Idaho as defined by the Idaho Tort Claims Act, as subscribers to counterparts of this Agreement, for the purpose of operating a separate legal entity to be known and designated as the Idaho Counties Risk Management Program, Underwriters, hereinafter referred to as “ICRMP”. At the time of making of this Agreement, ICRMP is considered by the Idaho Department of Insurance to be a reciprocal insurer organized pursuant to provisions of Idaho Code, Title 41, Chapter 29.

It is AGREED among the MEMBERS of ICRMP all of which have accepted this Agreement or a prior counterpart, that by virtue of accepting the terms of this version of the Joint Powers Subscriber Agreement, by approving a prior counterpart and subsequently renewing participation after changes to a prior counterpart have been implemented by the Board of Trustees or by paying a Member contribution as billed, as follows:

WHEREAS, POLITICAL SUBDIVISIONS of the State of Idaho have the authority to purchase liability insurance for themselves and their employees pursuant to Idaho Code §6-923 and to contract for property and other insurance coverage as they deem necessary or proper pursuant to Idaho Code §67-2328; and

WHEREAS, it is to the mutual benefit of POLITICAL SUBDIVISIONS to join together to establish the legal entity created by this Joint Powers Agreement (JPA) to accomplish the purposes hereinafter set forth; and

WHEREAS, the MEMBERS have determined that there is a need for POLITICAL SUBDIVISIONS to jointly create an insurance and risk management program; and

WHEREAS, the laws of the State of Idaho authorize the formation of what has been classified as a reciprocal insurer by POLITICAL SUBDIVISIONS without abrogating any privileges or immunities accorded to them by law;

NOW, THEREFORE, BE IT AGREED, in consideration of the mutual advantages, obligations and benefits to each POLITICAL SUBDIVISION and the mutual covenants herein contained, the MEMBERS of ICRMP, with the consent and concurrence of the subscribing POLITICAL SUBDIVISION, agree as follows:

ARTICLE I. DEFINITIONS.

As used in this Agreement, the following terms shall have the respective meanings hereinafter set forth:

- (1) **ICRMP (PROGRAM).** The Idaho Counties Risk Management Program, Underwriters, a pooled insurance and risk management program established pursuant to the statutes of this state by this Joint Powers Subscriber Agreement and licensed as a reciprocal insurer pursuant to Idaho Code Title 41, Chapter 29.
- (2) **BOARD.** The Board of Trustees of ICRMP, which shall serve as the Subscribers' Advisory Committee, as such is required by Idaho Code Title 41, Chapter 29.
- (3) **EXECUTIVE DIRECTOR.** The person designated by the BOARD to exercise the authority and to fulfill the duties of the chief administrative officer of ICRMP established by this Agreement
- (4) **JOINT POWERS SUBSCRIBER AGREEMENT (JPA).** This Agreement, wherein political subdivisions agree to participate in the insurance and risk management offerings of ICRMP as set forth by the BOARD.
- (5) **MEMBERS.** The POLITICAL SUBDIVISIONS, as defined in Section 6-902(2), Idaho Code, which qualify and agree to the terms of this JPA, as such may be revised upon approval by the Board of Trustees from time to time.
- (6) **BOARD SECRETARY.** The person nominated by the Executive Director and confirmed by vote of the Board of Trustees of ICRMP who shall develop and maintain records of Board activities including meeting preparation, meeting minutes and related undertakings.

ARTICLE II. ESTABLISHMENT, MAINTENANCE AND PARTICIPATION IN ICRMP.

The Idaho Counties Risk Management Program, Underwriters, a separate Joint Powers Entity, has been created through a JPA by numerous counties of the state of Idaho with an initial effective date of November 29, 1985. The JPA has been subsequently amended numerous times during the history of the PROGRAM. This JPA is intended to continue the organization and operation of ICRMP into future years upon the foundation laid by prior joint powers and subscribers' agreements. The public entity named on the concluding page of this JPA, a political subdivision of the State of Idaho, upon approval of payment of an allocated MEMBER contribution will become a MEMBER of the Idaho Counties Risk Management Program, Underwriters (ICRMP) with all rights and duties associated therewith. This Agreement supersedes all prior ICRMP JPAs and will become effective for all MEMBERS on the date identified in the footer of this version of the JPA upon acceptance of the tender of continued participation offered during the annual renewal process. Changes to the JPA are deemed accepted either by express action by the governing board or by renewing participation in the

PROGRAM by paying the allocated MEMBER contribution for a succeeding year. The rights and privileges of any withdrawing Member will be governed by the JPA in effect for the final year of any Member's participation.

ARTICLE III. PURPOSES AND DURATION.

- (1) The purposes of ICRMP are to provide an insurance and risk management program and to assist MEMBERS to prevent and reduce losses to MEMBERS' property and injuries or harm to persons or property which might result in claims being made against MEMBERS, their employees, officers, or agents, whether appointed, employed, elected or serving as recognized volunteers.
- (2) It is the intent of the MEMBERS of ICRMP to create a separate entity of unlimited duration that will administer an insurance and risk management program and use funds contributed by MEMBERS to defend and indemnify, in accordance with this Agreement and the issued policy(ies) of insurance, any ICRMP MEMBER against stated liability or loss, to the limits of the insurance policy issued by or procured through ICRMP. It is also the intent of the MEMBERS to have ICRMP provide continuing stability and availability of needed insurance coverage at reasonable costs and to provide education and training to ICRMP MEMBERS in the interest of meeting the challenges of local governance. All income and assets of ICRMP shall be at all times dedicated to the ultimate benefit of its MEMBERS in matters of risk and insurance, inclusive of services and issues not directly addressed by ICRMP-issued policies.
- (3) It is the intent of the MEMBERS of ICRMP that the PROGRAM serve as a vehicle for cooperative undertakings for all program MEMBERS, or selected groups thereof, to share the costs of certain required or desired insurance or risk-related obligations which the MEMBERS desire to study or implement. In implementation of any such programs, the participating MEMBERS shall bear the allocated costs of carrying out the purposes of the program(s) as determined by the ICRMP BOARD.
- (4) Participation in ICRMP shall be comprised of those POLITICAL SUBDIVISIONS that have approved this Agreement or one of its prior iterations and that have agreed to pay the required MEMBER contributions. MEMBERS agree to the admission of future MEMBERS in accordance with provisions of the then-current JPA and acknowledge that they shall have no right to object to the addition of such MEMBERS provided they are admitted in accordance with the terms hereof. This Agreement shall be automatically renewed, annually or periodically, consistent with BOARD-established policy terms, unless the provisions for withdrawal, expulsion or termination are applied in compliance with the terms of this agreement or adopted BOARD policy. No insurance will be provided unless the allocated MEMBER contribution is paid when due. The BOARD, or the Executive Director, as delegated by the BOARD, is authorized to attach conditions to entry into ICRMP membership or to maintenance of membership in ICRMP in the interest of protecting the shared interests of participating MEMBERS. Such conditions may include contribution

surcharges, coverage limitations, reductions of limits or other methods designed to recognize risk exposure or to protect the shared interests of other PROGRAM participants.

ARTICLE IV. MANNER OF FINANCING.

Financial operations of ICRMP shall be committed to the sound discretion of the BOARD with the primary intent being the long-term solvency of the PROGRAM. Financial contributions from MEMBERS shall be determined by the BOARD of ICRMP working through the Executive Director, considering, among other factors, risk exposure, loss experience, net operating expenditures, property ownership, costs of administering claims, costs of providing risk management services, participation in risk reduction programs, conduct by officials and other appropriate or necessary costs of program administration .

ARTICLE V. NON-WAIVER OF GOVERNMENTAL OR OTHER IMMUNITY.

MEMBERS of ICRMP, by participation in this PROGRAM, do not waive any immunities or limitations of liability provided to political subdivisions or their employees by any law of this state or nation.

ARTICLE VI. ICRMP POWERS AND DUTIES.

The powers of ICRMP to perform and accomplish the purposes set forth above shall, within budgetary limits and procedures set forth in this Agreement and as otherwise established by the BOARD, be to:

- (a) Employ agents, employees and independent contractors.
- (b) Purchase, sell, own, encumber and lease real property; to incur obligations on behalf of the PROGRAM to the extent permitted by Idaho statutes and the Idaho Constitution; and to purchase, sell, or lease equipment, machinery, and personal property.
- (c) Invest funds as allowed by Idaho statutes.
- (d) Carry out educational and other programs relating to risk management, including the prerogative to offer discounts or credits upon demonstrating compliance with standards for BOARD-approved risk reduction methods or plans.
- (e) Create, collect funds for, and administer an insurance and risk management program.
- (f) Purchase excess insurance and/or reinsurance to supplement the self-insured retention.
- (g) Establish reasonable and necessary loss reduction and prevention recommendation procedures to be followed by the MEMBERS.
- (h) Provide insurance-related services, risk management, loss control, underwriting and claims adjustment or to contract for such services, including the defense and settlement of claims, subject to specific limitations and/or restrictions, which may be imposed and adopted by the BOARD.
- (i) Carry out such other activities as are necessarily implied or required to carry out the purposes of ICRMP specified in Article III of this Agreement, even though such

undertakings might not be known at the time of entering into this Agreement, or might not be included within the specific powers enumerated in this Article.

- (j) Sue and be sued.
- (k) Enter into contracts.
- (l) Reimburse BOARD members for reasonable and approved expenses incurred in attending to BOARD responsibilities.
- (m) Provide security, insurance or bonds regarding the official responsibilities of all officers, BOARD members and employees of ICRMP.
- (n) Borrow funds with approval by the BOARD as necessary for current operating purposes, so long as repayment is achieved before the conclusion of the subsequent fiscal year.
- (o) Take appropriate steps to protect pool resources from careless or reckless conduct by ICRMP MEMBERS or by individual public officials of Member entities.
- (p) Establish terms and conditions of initial or continued Membership in the ICRMP Program.

ARTICLE VII. PARTICIPATION.

Any MEMBER of ICRMP shall be permitted to participate in the activities of ICRMP as authorized by this Agreement or pursuant to decisions by the Board of Trustees. MEMBER participation in ICRMP activities concerning the respective rights and responsibilities of any particular MEMBER shall require the approval of the governing board of that MEMBER.

ARTICLE VIII. MEMBERS' RIGHTS AND OBLIGATIONS - DISPUTE RESOLUTION PROCEDURES.

- (1) The individual MEMBERS of ICRMP, acting through their respective governing boards, shall have the right to:
 - (a) Petition the BOARD to be heard regarding any aspect of the PROGRAM operation in accordance with internal dispute resolution procedures approved by the BOARD or as otherwise determined in accordance with procedural guidelines authorized by the BOARD or the Chairman of the BOARD as circumstances warrant.
 - (b) Withdraw from PROGRAM participation at any time authorized by this Agreement. MEMBERS recognize that the PROGRAM is managed for long-term participation and that agreements that support PROGRAM operation are of one-year or longer duration. Consequently, early withdrawal from the PROGRAM during the course of a policy year may be subject to additional financial obligation for the withdrawing MEMBER as determined by the BOARD.
 - (c) After renewing its membership in ICRMP at least once, to nominate, recommend or vote concerning selection of a representative to serve on the BOARD of ICRMP as provided by this JPA.

(2) The obligations of MEMBERS of ICRMP shall be as follows:

- (a) To pay promptly all MEMBER contributions to ICRMP at such times and in such amounts as shall be established by the BOARD pursuant to this Agreement. Any delinquent payments may incur interest, penalties or other financial consequences as determined by resolution of the ICRMP Board of Trustees. Insurance coverage and other services will not continue for MEMBERS that are delinquent in payment of contribution amounts according to the terms of this Agreement and any related resolution approved by the Board of Trustees. Notice of termination of coverage or of services, for non-payment or otherwise, will be provided in writing in compliance with Idaho Department of Insurance requirements.
- (b) To allow the PROGRAM and its agents, officers and employees reasonable access to all premises of the MEMBER and all records, including but not limited to financial and administrative records, as reasonably required for the administration of ICRMP and the effective handling of claims threatened or brought against MEMBERS.
- (c) To cooperate fully with the PROGRAM'S attorneys, claims adjusters and any other agent, employee, or officer of ICRMP in activities relating to the purposes and powers of ICRMP.
- (d) To make good faith efforts to follow the safety, loss reduction and prevention recommendations expressed by the PROGRAM and to cooperate in risk reduction strategies proposed or required by the PROGRAM.
- (e) To report to ICRMP immediately all incidents or occurrences that could reasonably be expected to result in ICRMP being required to consider a claim against the MEMBER, its agents, officers, or employees, or for losses to MEMBER'S property within the scope of coverage undertaken by ICRMP.
- (f) To report to ICRMP as soon as reasonably possible, by way of the public entity's insurance agent or otherwise, in accordance with the issued Policy of Insurance and related guidelines, the addition of new programs, facilities and equipment or the significant reduction or expansion of existing programs, facilities and equipment or other acts that could cause material changes in the MEMBER'S risk of property or liability-related loss exposure.
- (g) To provide ICRMP periodically and consistent with Policy terms, but in no instance less frequently than annually, in accordance with the issued Policy of Insurance, with information on the value of buildings and contents and other real and personal properties. Each MEMBER is obliged to cooperate with the PROGRAM, directly, or *via* its independent insurance agent.

(h) To utilize BOARD-approved dispute resolution procedures regarding any contest or disagreement regarding a provision or scope of coverage pursuant to the insurance program/policy or any other aspect of PROGRAM operation, prior to addressing any such disagreement to a state or Federal administrative agency or prior to initiating legal action against ICRMP. MEMBERS expressly agree to follow the internal dispute resolution procedures adopted by the BOARD before contesting administrative determinations, coverage or claims non- payment issues in a court of law or before a regulatory agency. Such procedures require MEMBERS to thoroughly disclose any bases for such disagreement in writing to the BOARD prior to being heard in the process of resolving any such dispute. MEMBER expressly agrees that failure to exhaust the internal dispute resolution procedures established by the BOARD constitutes a material breach of this JPA. MEMBER further agrees not to initiate legal action against the PROGRAM or initiate contested procedures before any state or Federal regulatory agency regarding any dispute with the PROGRAM until said dispute resolution procedure has reached its conclusion before the BOARD within a reasonable timeframe. MEMBER agrees that ICRMP may enforce this provision by seeking the remedy of specific performance in a court of competent jurisdiction. A MEMBER that pursues a remedy in court or before a regulatory agency agrees to reimburse the PROGRAM its reasonable costs and attorney fees incurred in defense of any such suit or administrative proceeding if the matter has not first been brought to the BOARD pursuant to this dispute resolution procedure. The restrictions contained in this subsection may be waived by mutual agreement of the PROGRAM and the MEMBER.

(3) The basic elements of the dispute resolution procedure within ICRMP shall include the following:

- (a) Filing a written statement by the MEMBER stating the specific basis for disagreement with a decision by the Executive Director or BOARD regarding aspects of PROGRAM operation or contribution requirements, provision of coverage or non-payment of a claim for money damages. Such filing shall be followed promptly by a conference with the Executive Director, in person or by telephone, to attempt to resolve the stated differences. The Executive Director shall thereafter respond to the MEMBER in writing not more than ten (10) business days after the conference. Such written response shall set forth the basis of the Executive Director's decision concerning the contested matter. If the matter contested involves a decision originally made by the BOARD, the request for BOARD consideration can be routed directly to the BOARD if the Executive Director lacks authority to revise a BOARD-established policy, practice or result.
- (b) Following receipt of the Executive Director's written response, MEMBER may appeal the determination of the Executive Director to the BOARD. Any such appeal shall be made in writing setting forth the specific basis for the

appeal and the particular reasons for the disagreement with the determination of the Executive Director. When an appeal is received at least fourteen (14) days prior to a BOARD meeting, it will be included on the next BOARD agenda. If an appeal is not received at a time that allows it to be timely placed upon the agenda of the next BOARD meeting, the MEMBER and Executive Director, working in consultation with the Chairman of the BOARD, shall determine whether the matter is of such importance and urgency that it requires the call of a special BOARD meeting or whether it can be addressed at the next regularly scheduled BOARD meeting without irreparably harming the MEMBER. If a MEMBER insists upon the call of a special meeting by formal action of its governing board, a special meeting of the BOARD shall be called to hear the appeal.

- (c) The BOARD shall hear oral presentations, not in excess of one hour each, by the MEMBER and the Executive Director, or those designated by the Executive Director, should either or both desire. After hearing from both parties, the BOARD shall decide the controversy and shall tender its decision in writing within thirty (30) days. In doing so the BOARD may consult independently, or through the Executive Director, with legal advisers and/or consultants. The decision of the BOARD shall be final, unless reconsideration is requested by the MEMBER and approved for reconsideration by the BOARD. Until a final decision is made pursuant to the procedures set forth in this Article, no MEMBER may initiate or institute legal action against ICRMP or its officers, employees or agents arising out of the performance of this Agreement or the contract of insurance issued pursuant to this Agreement. Nor shall a contested matter be initiated by a MEMBER before a state or federal administrative agency without completing the dispute resolution procedure set forth herein.
- (d) The BOARD reserves the right to vary the foregoing procedures in a mutually agreeable manner, as necessary to accommodate the interests of ICRMP, its MEMBERS, or others with an interest in the just resolution of differences regarding PROGRAM operation.

ARTICLE IX. MEMBER CONTRIBUTIONS.

The BOARD of ICRMP shall institute methods to establish annual or periodic contribution amounts for MEMBERS. The PROGRAM may change contribution amounts charged to any MEMBER from year to year to reflect changes in PROGRAM operating costs, changes in risk resulting from operational changes, changes in property values or ownership, reevaluation of operating risks, MEMBER conduct concerning exposures or risks or refusal to participate in or willful violation of safety or loss prevention programs or for other reasons established by the BOARD. Conversely, the PROGRAM may offer contribution amount discounts for any MEMBER that faithfully participates in loss prevention and safety programs or for other reasons established by the PROGRAM. Each MEMBER'S contribution amount shall be calculated in accordance with rate determination methods approved by the BOARD for any

Policy Year, unless additional coverage is requested by the MEMBER. While the BOARD's rate determination methods must have the objective for each MEMBER's contribution to not be inadequate, excessive or unfairly discriminatory, relative to the assessable risk of each MEMBER and the PROGRAM, MEMBERS acknowledge that rate-setting involves risk and exposure assumptions which are not purely formulaic and which rely on the professional judgment of the BOARD and BOARD's advisors. No MEMBER may be further assessed during a Policy Year unless in response to a material change in property or activities not disclosed or addressed at the time of annual renewal. Additional contribution amount may be charged when changes are made to covered property or activities during the course of a year. The PROGRAM reserves the right to condition continued participation by any MEMBER upon compliance with specific performance requirements, payment of modified deductible amounts and such other measures as the PROGRAM deems necessary or appropriate. The PROGRAM also reserves, in compliance with Article XVIII, the right to discontinue membership or diminish coverage or limits or increase the self-insured responsibility of any MEMBER that does not cooperate with PROGRAM goals, objectives, or requirements or that acts without regard to consequences concerning matters that affect ICRMP and its MEMBERS.

ARTICLE X. BOARD OF TRUSTEES – ELECTION AND REPRESENTATION.

The BOARD of Trustees shall be comprised of nine (9) elected public officials, upon the initial effective date of this iteration of the JPA, six (6) of whom shall be county commissioners and three (3) who shall hold elective office in other POLITICAL SUBDIVISIONS. The electoral/appointive boundaries for designated BOARD members shall be organized as follows:

County District I: Counties of Boundary, Bonner, Kootenai, Benewah and Shoshone.

County District II: Counties of Latah, Clearwater, Nez Perce, Lewis and Idaho.

County District III: Counties of Adams, Valley, Washington, Payette, Gem, Boise, Canyon, Ada, Elmore and Owyhee.

County District IV: Counties of Camas, Blaine, Gooding, Lincoln, Jerome, Minidoka, Twin Falls and Cassia.

County District V: Counties of Bingham, Power, Bannock, Caribou, Oneida, Franklin and Bear Lake.

County District VI: Counties of Lemhi, Custer, Clark, Fremont, Butte, Jefferson, Madison, Teton and Bonneville

Region I: Elected official of a city from within Districts I, II, and III elected by all Member cities in the Region.

Region II: Elected official of a city from within Districts IV, V and VI elected by Member cities in the Region.

Special District Member: Elected official of any MEMBER other than a county or city, selected by a vote of the Board, chosen from nominees submitted by elected officials for agencies that are ICRMP MEMBERS.

Each member of the BOARD shall be either a commissioner elected from a MEMBER County, an elected official of a MEMBER city or other POLITICAL SUBDIVISION and shall serve for a period of two (2) years, or until a successor is elected or appointed. Four (4) members of the BOARD (even-numbered County Districts and the Region II seat) shall be

elected for two (2) year terms in the final months of odd-numbered years, while another five (5) members of the BOARD (odd-numbered County Districts and the Region I seat plus the Special District Member shall be elected/appointed for two (2) year terms in the final months of even-numbered years. For purposes of this Agreement, a "Board Seat" shall be defined as the position on the ICRMP Board of Trustees designated for and occupied by the representative duly elected or appointed from a District, Region or statewide, respectively, as outlined in this Section. The Executive Director shall administer the election process in order to allow election results to be canvassed by the BOARD prior to undertaking official Board business in the succeeding calendar year. The respective boards of county commissioners of each MEMBER county may cast a ballot for their District member of the BOARD; governing boards of cities may vote for regional City representatives and Special District Member candidates may be nominated by governing boards of Member Special Districts. Incumbent BOARD members may qualify for inclusion on a subsequent election ballot by expressing a desire to do so in writing to the BOARD Secretary. Valid ballots must be received by ICRMP at a time and place specified by the Executive Director. Each member of the BOARD shall serve from the date of the first BOARD meeting in the year succeeding his election/appointment through the conclusion of his/her term when a succeeding BOARD member is seated or for another term if the BOARD member is re-elected/reappointed. Should any seat on the Board become vacant due to resignation, disability, or conclusion of service as an elected official the BOARD may fill such vacancy for the remainder of a term at any time.

Article XI. REMOVAL OF BOARD MEMBER

At any time during the course of service of an elected BOARD member such member may be removed by the PROGRAM MEMBERS that elected such BOARD member by either of two (2) means. The first method by which an elected BOARD member's continued service may be submitted to his constituent electors is by receipt of a petition of no confidence approved by the respective governing boards of MEMBER entities equal to at least one-half (1/2) of the number of votes received by the BOARD member when the BOARD member was most recently elected to the BOARD. Any such petition shall succinctly set forth the reasons of misconduct, personal behavior, wrongdoing, failure to exercise diligence or failed representation that justifies a no-confidence/removal election.

The second alternative to refer a BOARD member's continued service to his constituent electors would be a no-confidence declaration by members of the ICRMP BOARD. By majority vote of no confidence, exclusive of the BOARD member in question, the BOARD may choose to submit the question of continued service by an elected BOARD member to the BOARD member's constituent electors, stating in any motion to proceed with such election the express reasons therefor. Any BOARD member appointed to fill the remainder of any member's term shall be treated as an elected BOARD member.

In the event of receipt of a qualifying no-confidence petition, or following a no-confidence vote by the ICRMP BOARD, the question to be presented to a BOARD member's constituent electors shall be whether the identified BOARD member should continue to serve on the BOARD. The reasons for no-confidence stated in the petition from dissatisfied MEMBERS or expressed in the motion by BOARD shall be included in election materials sent to constituent

electors along with a statement prepared by the BOARD member in response, if supplied by the Board member in a timely manner. Neither message shall exceed three hundred (300) words. Voting in any such election shall be open for at least twenty-one (21) days from the date ballots are first mailed. The Executive Director shall establish a time and date-certain by which all ballots must be received. Votes shall be tallied by the Executive Director or his designee(s). A majority of lawful votes cast shall determine the outcome. If a no-confidence vote results in removal of BOARD member, the seat may be refilled by BOARD appointment until the next election date for the Board seat in question wherein a replacement can be elected to fill a new term.

Any BOARD Member holding an appointive or *ex-officio* non-voting position may be removed by majority vote of the BOARD for reasons of misconduct, personal behavior, wrongdoing or failure to exercise diligence after providing the BOARD Member a written statement of concerns and allowing the BOARD Member an opportunity to be heard by the BOARD. In the circumstances of such proceedings, a BOARD Member facing possible removal shall be entitled to written notice of the concerns no less than seven (7) calendar days prior to BOARD action and the hearing opportunity for the subject BOARD Member shall be one (1) hour in duration.

ARTICLE XII. POWERS AND DUTIES OF THE BOARD OF TRUSTEES.

The BOARD shall have the following powers and duties to:

- (1) Annually elect a chairman and vice-chairman. Each officer shall serve until his or her successor is elected, subject to maintaining status as an eligible elected official.
- (2) Admit or expel MEMBERS, or to condition continued participation in the PROGRAM, in accordance with this Agreement.
- (3) Establish procedures for determining contribution amounts and authorizing payment procedures for MEMBERS.
- (4) Establish the insurance and risk management program design.
- (5) Provide for selection of all personnel and contractors necessary for the administration of ICRMP, including the appointment of an Executive Director to supervise the business of the PROGRAM and carry out other functions delegated by the BOARD.
- (6) Establish a schedule for BOARD meetings.
- (7) Exercise all powers of ICRMP, except powers reserved to the MEMBERS.
- (8) Prepare, adopt and oversee ICRMP's budget.
- (9) Receive reports concerning PROGRAM activities and to make reports to the MEMBERS.
- (10) Provide for underwriting, claims and loss control procedures.
- (11) Provide for the investment and disbursement of funds.
- (12) Enact resolutions establishing procedures governing its own conduct and the powers and duties of its officers, not inconsistent with this Agreement and applicable provisions of law.
- (13) Provide to MEMBERS an annual report of operations and financial affairs.

- (14) Form committees and advisory panels; and to provide other services as needed by ICRMP. The BOARD shall determine the method of appointment and terms of members of committees and advisory panels.
- (15) Submit to MEMBERS an amended JPA upon adoption and at the date of periodic renewal, or otherwise, for re-adoption, express acceptance or payment of a member contribution by MEMBERS.
- (16) Dissolve ICRMP when BOARD action is accompanied by a two-thirds (2/3) vote of the entire then-current MEMBERSHIP, provided that a notice of intent to dissolve ICRMP shall be given to the Director of the Department of Insurance of the State of Idaho at least ninety (90) days prior to the proposed effective date. Like notice of such intent shall be provided to all MEMBERS at least thirty (30) days before any such vote regarding dissolution in compliance with title 41, Idaho Code and other applicable statutes. Assets remaining after discharge of its indebtedness and policy obligations, the return of any surplus made as provided in Idaho Code §41-2916, and the return of any unused premium, savings or credits then standing on subscribers' accounts, shall be distributed to its subscribers who were such within the twelve (12) months prior to the last termination of its certificate of authority, according to such reasonable formula as the director may approve pursuant to Idaho Code §41-2928.
- (17) Appoint or remove appointed or non-voting *ex-officio* members of the BOARD
- (18) Do or delegate all acts necessary and proper for the implementation of this Agreement.

ARTICLE XIII. ESTABLISHMENT OF LOSS PAYING FUND.

The PROGRAM shall endeavor to maintain available funds in amounts the BOARD deems reasonably sufficient to annually provide the resources necessary to fund ICRMP's general and administrative expenses, any reinsurance or excess insurance requirements, to pay the current year's claims and claims expenses and to sustain the financial stability of the PROGRAM, in addition to funds necessary to meet ICRMP's obligation to satisfy the requirements of any regulatory authority.

ARTICLE XIV. SCOPE OF COVERAGE.

- (1) ICRMP shall provide policy protection to each MEMBER as provided in the MEMBER'S policy of insurance. MEMBER acknowledges that the policy of insurance transfers risk of loss from the MEMBER to ICRMP subject to the terms, conditions and exclusions addressed by the policy. MEMBER acknowledges that not all risks are insurable and that any excluded risks are not transferred pursuant to this Agreement.
- (2) In the event that a claim or a series of claims exceeds the amount of coverage provided by the MEMBER's Policy, payment of valid claims shall become the sole and separate obligation of the individual MEMBER or MEMBERS against whom the claim was made and perfected by litigation or settlement. No Subscriber shall be entitled to a contribution from other MEMBERS beyond the annual amount obligated

by this Joint Power Subscribers Agreement and the policy of insurance which complements it.

ARTICLE XV. MEETINGS OF THE BOARD OF TRUSTEES.

- (1) The BOARD may set a time and place for meetings in accordance with applicable law. All provisions of law applicable to public meetings shall be observed.
- (2) A majority of seated trustees shall constitute a quorum to do business. All formal acts of the BOARD shall require a majority vote of the trustees present and voting, unless otherwise required by law.
- (3) Because of the distance that separates the Trustees, the BOARD may conduct official business by telephone/video conference call. When a conference call meeting is convened the base of such meeting will normally be the ICRMP Building in Boise, Idaho. An alternative base meeting location may be designated by the Executive Director when necessary to effectively conduct BOARD business. At the base location a speaker phone shall be provided in order to allow the public to hear the discussion carried on by the BOARD. Executive session and notice provisions of the Open Meeting Law shall apply when appropriate or required.

ARTICLE XVI. LIABILITY OF BOARD OF TRUSTEES OR OFFICERS.

The trustees or officers of ICRMP should use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties hereunder. They shall not be personally liable for any mistake of judgment or other action made, taken or omitted by them in good faith; nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care so long as the actions or omissions complained of shall have taken place within the course and scope of their official duties. No trustee shall be personally liable for any action taken or omitted by any other trustee. The assets of ICRMP may be used to defend and indemnify any trustee, officer, agent or employee for actions taken by each such person in good faith within the scope of his or her authority for ICRMP as public officials in the state of Idaho. ICRMP may purchase insurance providing coverage for trustees, officers and employees.

ARTICLE XVII. WITHDRAWAL FROM MEMBERSHIP.

Any MEMBER may withdraw from ICRMP after the MEMBER'S initial one (1) year term by giving notice to the Executive Director, in writing, of its desire to withdraw. Any MEMBER may withdraw from ICRMP within thirty (30) days after the date that the PROGRAM gives notice in writing of an amendment to this Agreement or its accompanying policy of insurance by tendering to the Executive Director written notice of its intent to withdraw. The continuing rights of any withdrawing MEMBER shall be as set forth in the most recent JPA. A voluntarily withdrawing MEMBER shall be deemed to have forfeited any claim of right or equity to any portion of liquidated surplus or to any credit or dividend should any be declared by the Board of Trustees.

ARTICLE XVIII. EXPULSION OF MEMBERS - CONDITIONS OF CONTINUED PARTICIPATION.

- (1) Any MEMBER may be expelled at the initiation of the Executive Director or the BOARD at any time during a policy year for one or more of the following reasons:
 - (a) Failure to make any payments due to ICRMP.
 - (b) Willful failure to undertake or continue loss reduction or loss prevention recommendations by ICRMP.
 - (c) Failure to allow ICRMP reasonable access to all facilities and records of the MEMBER necessary for proper administration of ICRMP.
 - (d) Failure to fully cooperate with ICRMP's attorneys, claim adjusters or other agents, employees, or officers of ICRMP.
 - (e) Failure to carry out any obligation of a MEMBER which impairs the ability of ICRMP to carry out its purpose or powers.
 - (f) Exhibiting reckless behavior which causes claims which could have been avoided by prudent or responsible action.
- (2) No MEMBER expulsion shall be effective until at least thirty (30) days after notice from the Executive Director of the alleged failure of performance, however the notice of expulsion from the Executive Director may include exclusions from, or limitations on, coverage related to foreseeable willful actions addressing conduct of the MEMBER. Any such exclusions or limitations shall be effective immediately unless subsequently rescinded by BOARD action or modified by mutual agreement. Notice to a MEMBER shall state whether a cure is believed to be possible. The MEMBER may request, in writing, a hearing before the BOARD, either by telephone or in person, within fourteen (14) days of the notice provided by the Executive Director. MEMBERS must act through their governing board. Notices of expulsion or extraordinary exclusions or limitations of coverage are subject to the Dispute Resolution Procedure set forth in Article VIII. If a decision to expel, exclude or limit is affirmed after hearing, such date of expulsion or limitation shall relate back to the date of initial decision to expel by the Executive Director or the BOARD from which the notice of intent to expel derives. The rights of any expelled MEMBER shall be as set forth in this Agreement or upon such other terms and conditions as the BOARD may negotiate with the expelled MEMBER. Nothing in any policy of insurance shall contravene provisions of this JPA respecting separation from the PROGRAM.
- (3) Any MEMBER separating from ICRMP (withdrawing or expelled) shall not be entitled to any reimbursement of contribution amounts that have been paid unless otherwise required by provisions of applicable law. All claims relating to events occurring after the date of separation from ICRMP shall become the sole responsibility of the separated Subscriber. With respect to any Claims Made coverage provided to a MEMBER, any claims occurring or reported after the date of separation from ICRMP shall become the sole responsibility of the separated MEMBER. Any MEMBER expelled from the PROGRAM by action of the Board of Trustees shall have any entitlement to liquidation value provided pursuant to this JPA

reduced by the amount of ultimate net loss that exceeds the MEMBER's contributions for the period of liquidation rights established by the terms of the JPA then in effect. Such entitlement to liquidation value shall be payable only upon actual liquidation of the PROGRAM.

- (4) As an alternative to expulsion the BOARD or Executive Director may, at any time, condition continued participation in the PROGRAM upon compliance with specific terms and conditions established by agreement between the MEMBER and ICRMP. Conditions may include consultation requirements, increased deductible amounts, increased MEMBER contributions, restriction of coverage, diminishment of coverage limits and such other limitations as the BOARD may deem reasonable to protect the resources of ICRMP as allowed by applicable law.

ARTICLE XIX. BINDING CONTRACTUAL OBLIGATION.

This document shall constitute a JPA, a binding contract, among those POLITICAL SUBDIVISIONS that are MEMBERS of ICRMP. The terms of this Agreement may be enforced in court by ICRMP itself or by any of its MEMBERS, as respects its interests, subject to the terms and conditions of applicable laws and this Agreement. The consideration for the duties herewith imposed upon the MEMBERS to take certain actions and to refrain from certain other actions is based upon the mutual promises and agreements of the MEMBERS set forth herein and the Member contributions paid by Members. This Agreement shall be deemed approved by each MEMBER by payment of the required Member contribution or by subsequent renewal pursuant to procedures specified by law, the Executive Director or the BOARD. MEMBER asserts that it has complied with relevant laws and that it waives its ability to object to the binding nature of this Agreement by virtue of informalities in its approval. Except to the extent of the financial contributions to ICRMP agreed to herein, or such additional obligations as may come about through amendments to this Agreement, no MEMBER agrees or contracts herein to be held responsible for any claims in tort or contract made against any other MEMBER. The contracting parties intend in the creation of ICRMP to establish an organization for joint risk management only within the scope herein set out, and have not herein created as between MEMBER and MEMBER any relationship of general surety or indemnitor, nor by participating herein does any MEMBER otherwise assume responsibility for the debts of or claims against any other MEMBER.

ARTICLE XX. DISTRIBUTION OF PROPERTY, FUNDS AND SUPPLIES UPON DISSOLUTION OF ICRMP.

In the event of termination of this JPA such that ICRMP is dissolved, all unused consumable supplies, non-consumable supplies or other property or assets acquired by ICRMP shall be liquidated in a manner permissible by law, and the proceeds of such liquidation shall be disbursed to the then-current MEMBERS at a rate proportionate to each MEMBER'S *pro rata* share of the cumulative Member contributions paid to ICRMP for the most recent five (5) fiscal years. Said determination of net asset distribution shall be made in good faith by the BOARD subject to application of the business judgment rule.

ARTICLE XXI. SEVERABILITY.

In the event that any Article, provision, clause or other part of this Agreement should be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability with respect to other Articles, provisions, clauses, applications or occurrences, and this Agreement is expressly declared to be severable.

ARTICLE XXII. POWER OF ATTORNEY - EXPENSES AND DUTIES.

- (1) To the extent required by Idaho Code Title 41, Chapter 29, and not inconsistent with applicable constitutional and statutory obligations and prerogatives, MEMBER hereby appoints Idaho Counties Risk Management Program, Underwriters (ICRMP), as its Attorney-in-Fact empowered to take all actions and execute all documents which are necessary or appropriate in carrying on the business of insurance through ICRMP on behalf of MEMBER. MEMBER agrees that the BOARD of ICRMP may delegate powers to an Executive Director in accordance with this JPA.
- (2) The Executive Director appointed by the BOARD is hereby empowered by the undersigned to accept service of process on behalf of ICRMP. The Director of the Department of Insurance of the State of Idaho is also authorized to receive service of process in actions against ICRMP upon contracts of insurance provided to Subscribers of ICRMP. Such authorization does not supersede the procedural requirements of this Agreement. The general services to be performed by the Executive Director shall include: (a) issuing, underwriting and servicing policies of insurance; (b) contracting with agents for sale and servicing of policies of insurance; (c) executing treaties of reinsurance or contracts of excess insurance; (d) providing risk management services and administering programs to diminish claims for damages and (e) supervising the investment policy of ICRMP. The Executive Director's obligations and liability shall be limited by the terms and conditions of ICRMP's JPA and by the Idaho Tort Claims Act.
- (3) The general items of expense to be paid by ICRMP shall include, but not be limited to: (a) losses and claims payments; (b) allocable claims expense; (c) governmental charges, license fees, and lawful taxes; (d) expenses incurred in auditing ICRMP's books and records; (e) contribution amount collection costs; (f) BOARD expenses; (g) premiums on reinsurance and excess insurance; (h) fees of investment counsel and direct investment expense; (i) salaries and expenses of officers and employees of ICRMP; (j) disbursement of dividends; (k) special expenses authorized by the Board of Trustees of ICRMP; (l) broker and agent commissions; (m) indemnity insurance premiums; (n) home and branch office expense; and (o) actuarial, auditing, legal, risk management and loss prevention expenses.
- (4) The Power of Attorney conveyed herein shall expire upon termination of all obligations of ICRMP. The policies of insurance issued by ICRMP are conditional upon payment of MEMBER contributions to ICRMP. The liability of each

MEMBER for the obligations of ICRMP shall be an individual, several and proportionate liability and not a joint liability. The liability of each MEMBER shall be limited as stated in this JPA provided, however, that in no event shall any MEMBER be required to contribute more than the amount authorized by applicable state statutes and constitutional provisions pursuant to which ICRMP is established.

ARTICLE XXIII. MISCELLANEOUS PROVISIONS - NOTICE.

- (1) The provisions of this Agreement shall be interpreted pursuant to the laws of the State of Idaho.
- (2) The parties hereto consent that courts in the State of Idaho shall have jurisdiction over any dispute arising under this Agreement after exhaustion of the dispute resolution procedures provided for herein. If reasonable attorney fees are incurred in enforcing provisions of this Agreement in a court of law, the prevailing party to such an action shall be entitled to reimbursement of its reasonable attorney fees.
- (3) No waiver of any breach of this Agreement or any provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any of the other provisions herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligations or acts.
- (4) In the event that any provision of this Agreement is in conflict with or is incompatible with the MEMBER'S Policy issued hereunder, the terms and conditions of the MEMBER'S Policy shall prevail and take precedence.
- (5) This Agreement may be modified or amended by a written proviso authorized by the Board. Provided, however, no such modification shall be effective retroactively, nor as to any insurance contract or coverage issued prior thereto. Said modifications may be made effective during a Policy Year only to comply with applicable laws respecting operation of ICRMP or with express consent of the MEMBER. Changes may be made to the policy of insurance issued by ICRMP at any time during the policy year in accordance with rules or statutes governing the business of insurance within the State of Idaho. If a MEMBER does not accept changes made during a policy year, its sole remedy shall be to cancel future coverage, subject to a proportionate refund of any *pro rata* MEMBER contributions already paid, less equitable commission and administrative charges.
- (6) MEMBER agrees to hold ICRMP, its employees, contractors, and/or legal counsel, harmless and without liability to MEMBER from any claims arising out of loss control or related administrative activities undertaken for Subscriber's benefit. ICRMP assumes no responsibility for the lawful operation of MEMBER'S POLITICAL SUBDIVISION. MEMBER further agrees that communications with

attorneys on the ICRMP staff or retained by the PROGRAM to assist a MEMBER to resolve or avoid claims will remain confidential pursuant to the Attorney-Client privilege and that written materials generated as a consequence of such effort to assist MEMBER shall constitute attorney work product. MEMBER further agrees that the employees, contractors and/or legal counsel of ICRMP when acting in a loss control capacity are representing ICRMP, not MEMBERS, and that information obtained in such loss control capacity may be provided to ICRMP in order to carry out the purposes of this JPA.

- (7) All notices required to be given under this Agreement shall be delivered in writing. Notices by a MEMBER to ICRMP shall be sent to ICRMP'S principal place of business. Notices to any MEMBER shall be sent to the MEMBER'S last known address. In the event that any party to this Agreement desires to change its address, notice of change of address shall be sent to the other party by United States Mail in accordance with the terms and provision of this Article. Each MEMBER of ICRMP whether by initiating membership after October 1, 2013, or by renewing membership after October 1, 2013, hereby authorizes and consents to delivery of documents between itself and ICRMP by electronic means in accordance with provisions of Idaho Code §41-1851 or its successor unless it provides written notice to ICRMP that it declines to accept delivery of documents by electronic means.
- (8) Warranty of Eligibility – Each MEMBER authorizing participation in ICRMP by approval of this Agreement and execution by an authorized official hereby warrants that it is a political subdivision of the state of Idaho as defined by the Idaho Tort Claims Act and thereby eligible to be a MEMBER of ICRMP. By such warranty each MEMBER consents to its immediate separation from ICRMP participation upon discovery that it is not a qualifying political subdivision. Each MEMBER also agrees that it will indemnify ICRMP for any loss ICRMP may suffer by virtue of the inapplicability of privileges and immunities otherwise available to political subdivisions of the state of Idaho by virtue of the mischaracterization of any MEMBER as a qualified Idaho political subdivision.
- (9) Procedural standards established within this JPA shall serve functions frequently fulfilled by organizational by-laws. Other procedural requirements may be established by applicable state law. Additionally, nothing contained in this JPA shall prohibit the ICRMP Board of Trustees from adopting procedural standards or guidelines for the conduct of Board business or from authorizing administrative policies to guide ICRMP's internal affairs.

ARTICLE XXIV. EXECUTION AND ATTEST.

In Witness hereof, this Agreement is executed on the ____ day of _____ 20____, by the undersigned who are duly authorized officer(s) of the Political Subdivision indicated below and by the Idaho Counties Risk Management Program, Underwriters (ICRMP), pursuant to action taken by the Governing Board of the MEMBER on the ____ day of _____ 20____ or by payment of the required member contribution. Such payment of Member contribution, execution upon this Agreement or upon execution of a prior counterpart accompanied by continuing renewal shall constitute agreement by the POLITICAL SUBDIVISION to the terms and conditions of membership in ICRMP until proper written notice of withdrawal is provided or until a MEMBER is expelled as provided herein. An authorized signature or payment of member contribution is required for new membership. Renewal occurs annually by issuance of a policy of insurance and payment of member contribution subject to the terms of the then-current JPA proffered by the ICRMP Board of Trustees in conjunction with insurance policy terms for the succeeding policy year.

POLITICAL SUBDIVISION: _____

By: _____
CHAIRMAN OF THE BOARD, MAYOR, OR OTHER
EXPRESSLY AUTHORIZED OFFICER

Title: _____

Attest/Witness: _____
CLERK OR OTHER AUTHORIZED OFFICER

ACCEPTED FOR THE IDAHO COUNTIES RISK MANAGEMENT
PROGRAM, UNDERWRITERS (ICRMP)

By: _____
EXECUTIVE DIRECTOR

Selkirks-Pend Oreille Transit

Drug and Alcohol Policy

Effective as of [06/17/2021]

Adopted by: Selkirks Pend Oreille Transit Authority Board

Date Adopted: [06/17/2021]

Last Revised: [06/17/2021]

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1. Purpose of Policy

This policy complies with 49 CFR Part 655, as amended and 49 CFR Part 40, as amended. Copies of Parts 655 and 40 are available in the drug and alcohol program manager's office and can be found on the internet at the Federal Transit Administration (FTA) Drug and Alcohol Program website <http://transit-safety.fta.dot.gov/DrugAndAlcohol/>.

All covered employees are required to submit to drug and alcohol tests as a condition of employment in accordance with 49 CFR Part 655.

Portions of this policy are not FTA-mandated, but reflect Selkirks-Pend Oreille Transit's policy. These additional provisions are identified by **bold text**.

In addition, DOT has published 49 CFR Part 32, implementing the Drug-Free Workplace Act of 1988, which requires the establishment of drug-free workplace policies and the reporting of certain drug-related offenses to the FTA.

The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the covered workplace. An employee who is convicted of any criminal drug statute for a violation occurring in the workplace shall notify the Director or Assistant Director no later than five days after such conviction.

2. Covered Employees

This policy applies to every person, including an applicant or transferee, who performs or will perform a "safety-sensitive function" as defined in Part 655, section 655.4.

You are a covered employee if you perform any of the following:

- Operating a revenue service vehicle, in or out of revenue service
- Operating a non-revenue vehicle requiring a commercial driver's license
- Controlling movement or dispatch of a revenue service vehicle
- Maintaining (including repairs, overhaul and rebuilding) of a revenue service vehicle or equipment used in revenue service
- Carrying a firearm for security purposes

3. Prohibited Behavior

Use of illegal drugs is prohibited at all times. All covered employees are prohibited from reporting for duty or remaining on duty any time there is a quantifiable presence of a prohibited drug in the body at or above the minimum thresholds defined in Part 40. Prohibited drugs include:

- marijuana

- cocaine
- phencyclidine (PCP)
- opioids
- amphetamines

All covered employees are prohibited from performing or continuing to perform safety-sensitive functions while having an alcohol concentration of 0.04 or greater.

All covered employees are prohibited from consuming alcohol while performing safety-sensitive job functions or while on-call to perform safety-sensitive job functions. If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time that they are called to report for duty. If the on-call employee claims the ability to perform his or her safety-sensitive function, he or she must take an alcohol test with a result of less than 0.02 prior to performance.

All covered employees are prohibited from consuming alcohol within four (4) hours prior to the performance of safety-sensitive job functions.

All covered employees are prohibited from consuming alcohol for eight (8) hours following involvement in an accident or until he or she submits to the post-accident drug and alcohol test, whichever occurs first.

4. Consequences for Violations

Following a positive drug or alcohol (BAC at or above 0.04) test result or test refusal, the employee will be immediately removed from safety-sensitive duty and referred to a Substance Abuse Professional.

Following a BAC of 0.02 or greater, but less than 0.04, the employee will be immediately removed from safety-sensitive duties for at least eight hours unless a retest results in the employee's alcohol concentration being less than 0.02.

Treatment/Discipline

Per Selkirks-Pend Oreille Transit policy, any employee who tests positive for drugs or alcohol (BAC at or above 0.04) or refuses to test will be referred to a Substance Abuse Professional (SAP) and subject to the disciplinary actions below.

The cost of any treatment or rehabilitation service will be paid for directly by the employee or their insurance provider. Employees will be allowed to take accumulated sick leave, vacation leave, or leave without compensation to participate in the prescribed rehabilitation program.

A positive drug and/or alcohol test will also result in disciplinary action as specified herein.

(1) Refusal to submit to a drug/alcohol test shall be considered a positive test result and a direct act of insubordination and shall result in termination. A test refusal shall also include the following circumstances.

- (a) A covered employee who consumes alcohol within eight (8) hours following involvement in an accident without first having submitted to post-accident drug/alcohol tests.

- (b) A covered employee who leaves the scene of an accident without a legitimate explanation prior to submission to drug/alcohol tests.
- (2) For the first instance of a verified positive test from a sample submitted as the result of a random, or reasonable suspicion drug/alcohol test (0.04 BAC), disciplinary action against the employee shall include:
- (a) Referral to a Substance Abuse Professional for assessment, formulation of a treatment plan, and mandatory execution of a return to work agreement;
 - (b) Failure to execute, or remain compliant with the return-to-work agreement shall result in termination from employment. Compliance with the return-to-work agreement means that the employee has submitted to a drug and/or alcohol test prior to returning to work; the result of the drug test is negative and an alcohol concentration below 0.02; in the judgment of the SAP the employee is cooperating with his/her SAP recommended treatment program; and, the employee has agreed to periodic unannounced follow-up testing as defined in Section S of this policy;
 - (c) Refusal to submit to a periodic unannounced follow-up drug/alcohol test shall be considered a direct act of insubordination and shall result in termination.
 - (d) A periodic unannounced follow-up drug/alcohol test, which results in a verified positive, shall result in termination from employment.
- (3) The second instance of a verified positive drug or alcohol (0.04 BAC) test result from a sample submitted under the random, reasonable suspicion, return-to-duty, or follow-up drug/alcohol test provisions herein shall result in termination from employment.
- (4) A verified positive post-accident drug and/or alcohol (0.04) test shall result in termination.
- (5) An alcohol test result of 0.02 to 5. 0.039 BAC shall result in the removal of the employee from duty for eight hours or the remainder of the workday whichever is longer.
- (6) The cost of any treatment or rehabilitation services will be paid directly by the employee or their insurance provider. The employee will be permitted to take accrued sick leave or administrative leave to participate in the SAP prescribed treatment program. If the employee has insufficient accrued leave, the employee shall be placed on leave without pay until the SAP has determined that the employee has successfully completed the required treatment program and releases him/her to return-to-duty. Any leave taken, either paid or unpaid, shall be considered leave taken under the Family and Medical Leave Act.
- (7) In the instance of a self-referral or a management referral, disciplinary action against the employee shall include:
- (a) Referral to a Substance Abuse Professional for assessment, formulation of a treatment plan, and execution of a return to work agreement;
 - (b) Failure to execute, or remain compliant with the return-to-work agreement shall result in termination from employment. Compliance with the return-to-work agreement means that the employee has submitted to a drug/alcohol test immediately prior to returning to work; the result of that test is negative; in the judgment of the SAP the employee is cooperating with his/her SAP recommended treatment program; and, the employee has agreed to periodic unannounced follow-up testing as defined in this policy;

(c) Refusal to submit to a periodic unannounced follow-up drug/alcohol test shall be considered a direct act of insubordination and shall result in termination.

(d) A self-referral or management referral to the SAP that was not precipitated by a positive test result does not constitute a violation of the Federal regulations and will not be considered as a positive test result in relation to the progressive discipline defined in this policy.

(e) Periodic unannounced follow-up drug/alcohol tests conducted as a result of a self-referral or management referral which results in a verified positive shall be considered a positive test result in relation to the progressive discipline defined in Section T of this policy.

(f) A Voluntary Referral does not shield an employee from disciplinary action or guarantee employment.

(g) A Voluntary Referral does not shield an employee from the requirement to comply with drug and alcohol testing.

(8) Failure of an employee to report, within five days, a criminal drug statute conviction for a violation occurring in the workplace shall result in termination.

5. Circumstances for Testing

Pre-Employment Testing

A negative pre-employment drug test result is required before an employee can first perform safety-sensitive functions. If a pre-employment test is cancelled, the individual will be required to undergo another test and successfully pass with a verified negative result before performing safety-sensitive functions.

If a covered employee has not performed a safety-sensitive function for 90 or more consecutive calendar days, and has not been in the random testing pool during that time, the employee must take and pass a pre-employment test before he or she can return to a safety-sensitive function.

A covered employee or applicant who has previously failed or refused a DOT pre-employment drug and/or alcohol test must provide proof of having successfully completed a referral, evaluation, and treatment plan meeting DOT requirements.

Reasonable Suspicion Testing

All covered employees shall be subject to a drug and/or alcohol test when Selkirks-Pend Oreille Transit has reasonable suspicion to believe that the covered employee has used a prohibited drug and/or engaged in alcohol misuse. A reasonable suspicion referral for testing will be made by a trained supervisor or other trained company official on the basis of specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, or body odors of the covered employee.

Covered employees may be subject to reasonable suspicion drug testing any time while on duty. Covered employees may be subject to reasonable suspicion alcohol testing while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions.

Post-Accident Testing

Covered employees shall be subject to post-accident drug and alcohol testing under the following circumstances:

Fatal Accidents

As soon as practicable following an accident involving the loss of a human life, drug and alcohol tests will be conducted on each surviving covered employee operating the public transportation vehicle at the time of the accident. In addition, any other covered employee whose performance could have contributed to the accident, as determined by Selkirks-Pend Oreille Transit using the best information available at the time of the decision, will be tested.

Non-fatal Accidents

As soon as practicable following an accident not involving the loss of a human life, drug and alcohol tests will be conducted on each covered employee operating the public transportation vehicle at the time of the accident if at least one of the following conditions is met:

- (1) The accident results in injuries requiring immediate medical treatment away from the scene, unless the covered employee can be completely discounted as a contributing factor to the accident
- (2) One or more vehicles incurs disabling damage and must be towed away from the scene, unless the covered employee can be completely discounted as a contributing factor to the accident

In addition, any other covered employee whose performance could have contributed to the accident, as determined by Selkirks-Pend Oreille Transit using the best information available at the time of the decision, will be tested.

A covered employee subject to post-accident testing must remain readily available, or it is considered a refusal to test. Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident or to prohibit a covered employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

Random Testing

Random drug and alcohol tests are unannounced and unpredictable, and the dates for administering random tests are spread reasonably throughout the calendar year. Random testing will be conducted at all times of the day when safety-sensitive functions are performed.

Testing rates will meet or exceed the minimum annual percentage rate set each year by the FTA administrator. The current year testing rates can be viewed online at www.transportation.gov/odapc/random-testing-rates.

The selection of employees for random drug and alcohol testing will be made by a scientifically valid method, such as a random number table or a computer-based random number generator. Under the selection process used, each covered employee will have an equal chance of being tested each time selections are made.

A covered employee may only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions. A covered employee may be randomly tested for prohibited drug use anytime while on duty.

Each covered employee who is notified of selection for random drug or random alcohol testing must immediately proceed to the designated testing site.

Return to Duty Testing

Any employee who is allowed to return to safety-sensitive duty after failing or refusing to submit to a DOT drug and/or alcohol test must first be evaluated by a substance abuse professional (SAP), complete a SAP-required program of education and/or treatment, and provide a negative return-to-duty drug and/or alcohol test result. Any return-to-duty drug testing will be directly observed. All tests will be conducted in accordance with 49 CFR Part 40, Subpart O.

Follow-up Testing

Employees returning to safety-sensitive duty following leave for substance abuse rehabilitation will be required to undergo unannounced follow-up alcohol and/or drug testing for a period of one (1) to five (5) years, as directed by the SAP. The duration of testing will be extended to account for any subsequent leaves of absence, as necessary. The type (drug and/or alcohol), number, and frequency of such follow-up testing shall be directed by the SAP.

A covered employee may only be subject to follow-up alcohol testing while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions. A covered employee may be subject to follow-up drug testing anytime while on duty. All follow-up drug tests will be directly observed. All testing will be conducted in accordance with 49 CFR Part 40, Subpart O.

6. Testing Procedures

All FTA drug and alcohol testing will be conducted in accordance with 49 CFR Part 40, as amended.

Dilute Urine Specimen

If there is a negative dilute test result, Selkirks-Pend Oreille Transit will conduct one additional retest. The result of the second test will be the test of record.

Dilute negative results with a creatinine level greater than or equal to 2 mg/dL but less than or equal to 5 mg/dL require an immediate recollection under direct observation (see 49 CFR Part 40, section 40.67).

Split Specimen Test

In the event of a verified positive test result, or a verified adulterated or substituted result, the employee can request that the split specimen be tested at a second laboratory. Selkirks-Pend Oreille Transit guarantees that the split specimen test will be conducted in a timely fashion. Cost of second test will be paid for by Selkirks-Pend Oreille Transit.

7. Test Refusals

As a covered employee, you have refused to test if you:

- (1) Fail to appear for any test (except a pre-employment test) within a reasonable time, as determined by Selkirks-Pend Oreille Transit.
- (2) Fail to remain at the testing site until the testing process is complete. An employee who leaves the testing site before the testing process commences for a pre-employment test has not refused to test.
- (3) Fail to attempt to provide a breath or urine specimen. An employee who does not provide a urine or breath specimen because he or she has left the testing site before the testing process commenced for a pre-employment test has not refused to test.
- (4) In the case of a directly-observed or monitored urine drug collection, fail to permit monitoring or observation of your provision of a specimen.
- (5) Fail to provide a sufficient quantity of urine or breath without a valid medical explanation.
- (6) Fail or decline to take a second test as directed by the collector or Selkirks-Pend Oreille Transit for drug testing.
- (7) Fail to undergo a medical evaluation as required by the MRO or Selkirks-Pend Oreille Transit's Designated Employer Representative (DER).
- (8) Fail to cooperate with any part of the testing process.
- (9) Fail to follow an observer's instructions to raise and lower clothing and turn around during a directly-observed test.
- (10) Possess or wear a prosthetic or other device used to tamper with the collection process.
- (11) Admit to the adulteration or substitution of a specimen to the collector or MRO.
- (12) Refuse to sign the certification at Step 2 of the Alcohol Testing Form (ATF).
- (13) Fail to remain readily available following an accident.

As a covered employee, if the MRO reports that you have a verified adulterated or substituted test result, you have refused to take a drug test.

As a covered employee, if you refuse to take a drug and/or alcohol test, you incur the same consequences as testing positive and will be immediately removed from performing safety-sensitive functions, and referred to a SAP.

8. Voluntary Self-Referral

Any employee who has a drug and/or alcohol abuse problem and has not been selected for reasonable suspicion, random or post-accident testing or has not refused a drug or alcohol test may voluntarily refer her or himself to the Director or Assistant Director, who will refer the individual to a substance abuse counselor for evaluation and treatment.

The substance abuse counselor will evaluate the employee and make a specific recommendation regarding the appropriate treatment. Employees are encouraged to voluntarily seek professional substance abuse assistance before any substance use or dependence affects job performance.

Any safety-sensitive employee who admits to a drug and/or alcohol problem will immediately be removed from his/her safety-sensitive function and will not be allowed to perform such function until successful completion of a prescribed rehabilitation program.

9. Contact Person

For questions about Selkirks-Pend Oreille Transit's anti-drug and alcohol misuse program, contact the Director or Assistant Director.



WASHINGTON STATE TRANSIT BUS MEMORANDUM OF AGREEMENT

BETWEEN

IDAHO TRANSPORTATION DEPARTMENT

AND

WASHINGTON STATE DEPARTMENT OF ENTERPRISE SERVICES

This Washington State Transit Bus Memorandum of Agreement ("Agreement") is made and entered into by and between the State of Idaho acting by and through the Idaho Transportation Department ("ITD") ("Participant" or "Party") and the State of Washington acting by and through the Department of Enterprise Services, a Washington State governmental agency ("Enterprise Services") and is dated and effective upon signatures of all parties to the Agreement.

R E C I T A L S AND AUTHORITY

- A. Pursuant to Legislative authorization, Participants regulate the use of transportation infrastructure in their respective jurisdictions. Participants distribute and approve FTA funds and assists and approves of Transit Bus purchases from entities in their respective states.
- B. Pursuant to legislative authorization, Enterprise Services was established to provide centralized leadership in efficiently and cost-effectively managing resources necessary to support the delivery of state government services. In particular, the Legislature tasked Enterprise Services with implementing a world-class, customer-focused centralized procurement function. See 2011 LAWS OF WASHINGTON 1st sp. s. c 43 § 101.
- C. Pursuant to legislative authorization, Enterprise Services has authority to enter into master contracts on behalf of the State of Washington which master contracts may be utilized by state agencies and certain additional users (e.g., local governments, federal agencies, tribes, and public benefit nonprofit organizations) as authorized by Enterprise Services. See RCW 39.26.080(3) and 39.26.050(1).
- D. Pursuant to legislative authorization, Enterprise Services is authorized, on behalf of the State of Washington, to engage in cooperative purchasing with one or more states, state agencies, local governments, local government agencies, federal agencies, or tribes located in the state, in accordance with an agreement entered into between the participants to create master contracts through a competitive solicitation process. See RCW 39.26.060.
- E. Pursuant to legislative authorization in Idaho Code 67-2326 through 2333 and 67-2339 ITD is authorized to enter into agreements between or among public entities.
- F. The Parties desire to collaborate to utilize the Participants' substantive expertise and Enterprise Services' procurement expertise and authority to create a cost-effective, efficient, value-added procurement solution to enable authorized purchasers to procure Transit Buses and related goods/services.

- G. Pursuant to Section 3019 of the FAST Act, grantees of Federal Transit Administration (“FTA”) funds may enter into cooperative procurement contracts between a State and one or more vendors; and under which the vendors agree to provide an option to purchase rolling stock and related equipment to multiple participants. Grantees may participate in a cooperative procurement contract without regard to whether the grantee is located in the same State as the Parties to the contract.

A G R E E M E N T

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the Parties agree as follows:

1. **TERM.** The term of this Agreement is sixty (60) months, effective upon the signature of the Director of ITD or delegate and the signing authority of the State of Washington, whichever is most recent. *Provided*, however, that the term of this Agreement shall renew automatically for subsequent one (1) year periods unless either party gives the other written notice of termination at least (90) days prior to expiration of the current term; and *Provided further*, that, in no event shall this Agreement expire or terminate while any Master Contract developed pursuant hereto remains in effect.
2. **SCOPE & AUTHORITY.** This Agreement is designed to enable Washington’s central procurement authority and multiple states’ substantive experts for Transit Buses and related goods/services to collaborate such that the Participants realize the synergies of their combined authority and expertise to procure and deliver Transit Buses and related goods/services through cooperative Master Contracts with transit bus manufacturers, component manufacturers, and service providers. Such Master Contracts shall be available for use by all Washington state agencies as well as any authorized Washington State Transit Bus Cooperative Agreement member and any authorized Washington State Transit Bus Cooperative Purchasing Agreement.
3. **ROLES/RESPONSIBILITIES.** The parties shall collaborate to develop, solicit, award, and manage Master Contract(s) for Transit Buses and related goods/services.
 - a. **PARTICIPANTS.**
 - i. Participant shall have contract management responsibilities for the Master Contract(s) pertaining to vendor outreach, local agency outreach within their respective state, and approval of local agency purchases using FTA funds. Participant, in its reasonable discretion, shall make available such resources as appropriate to enable the timely accomplishment of the intended objectives set forth in this Agreement.
 - ii. Participants shall collect input and feedback from local agencies customers and collaboratively work with Enterprise Services to ensure that the same inform the Master Contract.
 - iii. Participants shall provide resources and consultation regarding bus purchases in their respective state, the approval process for use of FTA funds in purchases, and relevant information from local agencies.
 - iv. Participants shall have responsibility to provide necessary information for Enterprise Services to manage the resulting Master Contract, including confirmation of FTA funds, local purchaser tracking, and data reporting.

- b. ENTERPRISE SERVICES.
 - i. As Washington state's center of procurement expertise for Master Contracts, Enterprise Services, at a minimum, shall collaborate with Participants to develop contract specifications, contractor requirements, cost estimates, quantity estimates, applicable certification standards, and evaluation criteria to design a competitive procurement to produce Master Contract(s) for Transit Buses and related goods/services.
 - ii. In addition, Enterprise Services shall have procurement responsibility to solicit and award such Master Contract(s). Enterprise Services, in its reasonable discretion, shall make available such resources as appropriate to enable the timely accomplishment of the intended objectives set forth in this Agreement.
 - iii. Enterprise Services shall have responsibility to manage the resulting Master Contract(s), maintain accurate purchasing information and facilitate vendor contract sales reporting and invoicing for vendor management fee payment.
 - iv. Enterprise Services shall have responsibility to maintain state and federal records for the procurement and resulting Master Contracts.
 - v. In the event of vendor suspension and/or termination, Enterprise Services first shall consult with Participants.
- 4. **PARTICIPATION.** The resulting Master Contracts for Transit Buses and respective goods/services shall be available for use by all states, state agencies, local governments, local government agencies, federal agencies, or tribes located in the state which enter a Washington State Transit State Cooperative Purchasing Agreement, as authorized in RCW 39.26.060(1). In addition, as authorized in RCW 39.26.050(1), any eligible entity that has executed a Master Contract Usage Agreement with Enterprise Services shall be authorized to use such Master Contract.
- 5. **FEES/COSTS.** The Master Contract for Transit Buses shall include a vendor management fee payable to Enterprise Services. Such vendor management fee shall be the Master Contract cost recovery mechanism as required by RCW 39.26.050(2). This fee is paid by Contractors on the contracts to DES at the rate listed in the respective contract. For clarification that rate is 1% of total purchases for light and medium bus purchases and 0.15% of total purchases for heavy duty or similar bus purchases.
- 6. **WASHINGTON STATE TRANSIT BUS COOPERATIVE/MASTER CONTRACT WEBSITE.** The Parties shall collaborate to increase awareness of and access to the Master Contracts for Transit Buses and related goods/services. At a minimum, the Parties shall ensure that the Master Contracts for Transit Buses is accessible through an Enterprise Services website.
- 7. **AGREEMENT MANAGEMENT.** The Parties hereby designate the following agreement administrators as the respective single points of contact for purposes of this Agreement, each of whom shall be the principal contact for business activities under this Agreement. The Parties may change administrators by written notice as set forth below. Any notices required or desired shall be in writing and sent by U.S. mail, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the Parties may specify in writing:

Enterprise Services

Attn: David Mgebroff
Contracts & Procurement Division
Washington Dept. of Enterprise Services
PO Box 41411
Olympia, WA 98504-1411
Tel: (360) 407-8049
Email: david.mgebroff@des.wa.gov

Idaho Transportation Department

Attn: Shauna Miller and/or Ada Finlayson
Office of Public Transportation
Idaho Transportation Department
P O Box 7129
Tel: (208) 334-8533 - (208) 334-8848
Email: Shauna.Miller@itd.idaho.gov
Ada.Finlayson@itd.idaho.gov

Notices shall be deemed effective upon the earlier of receipt, if mailed, or, if emailed, upon transmission to the designated email address of said addressee.

8. RECORDS RETENTION & PUBLIC RECORDS.

- a. **RECORDS RETENTION.** Enterprise Services shall each maintain records and other evidence that sufficiently and properly reflect all direct and indirect costs expended by either party in the performance and payment of the services described herein. These records shall be subject to inspection, review, or audit by personnel of both Parties, other personnel duly authorized by either party, the Office of the State Auditor, and officials authorized by law. Such records shall be retained for a period of six (6) years following expiration or termination of this Agreement or final payment for any service placed against this Agreement, whichever is later; *Provided*, however, that if any litigation, claim, or audit is commenced prior to the expiration of this period, such period shall extend until all such litigation, claims, or audits have been resolved.
- b. **PUBLIC INFORMATION.** This Agreement and all related records are subject to public disclosure as required by the relevant public records act of the Participant's jurisdiction. No party shall release any record that would, in the judgment of the party, be subject to an exemption from disclosure under a Participants' public records act, without first providing notice to the other party within ten (10) business days of the receipt of the request. The Parties will discuss appropriate actions to be taken, including release of the requested information, seeking a protective order, or other action prior to the release of records. Should one party choose to seek a protective order, it shall do so at its sole expense.

9. **RESPONSIBILITY OF THE PARTIES.** Each party to this Agreement assumes responsibility for claims and/or damages to persons and/or property resulting from any act or omission on the part of itself, its employees, or its agents. Neither party assumes any responsibility to the other party for any third party claims.

10. **DISPUTE RESOLUTION.** To the extent practicable, the Parties shall use their best, good faith efforts cooperatively and collaboratively to resolve any dispute that may arise in connection with this Agreement as efficiently as practicable, and at the lowest possible level with authority to resolve such dispute. The Parties shall make a good faith effort to continue without delay to carry out their respective responsibilities under this Agreement while attempting to resolve any such dispute. If, however, a dispute persists and cannot reasonably be resolved, it may be escalated within each organization. In such circumstance, upon notice by either party, each party, within five (5) business days shall reduce its description of the dispute to writing and deliver it to the

other party. The receiving party then shall have three (3) business days to review and respond in writing. In the event that the Parties cannot then agree on a resolution of the dispute, the Parties shall schedule a conference between the respective senior managers of each organization to attempt to resolve the dispute. In the event the Parties cannot agree on a mutual resolution within fifteen (15) business days, any party may resort to court to resolve the dispute.

11. LIMITATIONS. Nothing in the Agreement between the DES and ITD shall be construed as limiting or expanding the statutory or regulatory responsibilities of any involved individual in performing functions granted to them by law; or as requiring either entity to expend any sum in excess of its respective appropriation. Each and every provision of this Agreement is subject to the law and regulations of the states of Idaho and Washington and of the United States. Nothing in this Agreement shall be construed as expanding the liability of either party. In the event of a liability claim, each party shall defend their own interests. Neither party shall be required to provide indemnification of the other party.


12. GENERAL PROVISIONS.

- a. **INTEGRATED AGREEMENT.** This Agreement constitutes the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations, representations, and understandings between them. There are no representations or understandings of any kind not set forth herein.
- b. **AMENDMENT OR MODIFICATION.** Except as set forth herein, this Agreement may not be amended or modified except in writing and signed by a duly authorized representative of each party hereto.
- c. **AUTHORITY.** Each party to this Agreement, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Agreement and that its execution, delivery, and performance of this Agreement has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
- d. **NO AGENCY.** The Parties agree that no agency, partnership, or joint venture of any kind shall be or is intended to be created by or under this Agreement. Neither party is an agent of the other party nor authorized to obligate it.
- e. **GOVERNING LAW.** The validity, construction, performance, and enforcement of this Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without regard to its choice of law rules.
- f. **CAPTIONS & HEADINGS.** The captions and headings in this Agreement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Agreement nor the meaning of any provisions hereof.
- g. **ELECTRONIC SIGNATURES.** A signed copy of this Agreement or any other ancillary agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement or such other ancillary agreement for all purposes.

- h. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Agreement at different times and places by the Parties shall not affect the validity thereof so long as all the Parties hereto execute a counterpart of this Agreement.

EXECUTED AND EFFECTIVE as of the day and date first above written.

STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES

By:  _____

Name: Jamie Rossman
Title: Assistant Director

STATE OF IDAHO
IDAHO TRANSPORTATION DEPARTMENT

By: _____

Name: Scott Stokes
Title: Chief Deputy Director

TRANSIT BUS COOPERATIVE PURCHASING AGREEMENT

Pursuant to Washington law, Enterprise Services is authorized to

... participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of any goods or services with one or more states, state agencies, local governments, local government agencies, federal agencies, or tribes located in the state, in accordance with an agreement entered into between the participants. The cooperative purchasing may include, but is not limited to, joint or multiparty contracts between the entities, and master contracts or convenience contracts that are made available to other public agencies.

RCW 39.26.060(1). This broad delegation of authority by the State Legislature enables Enterprise Services, among other things, to leverage the state resources that we commit to providing innovative, cost-effective, and efficient solutions for Washingtonians to other governmental purchasing authorities.

Use of Enterprise Services' Master Contract, through this Cooperative Purchasing Agreement, is contingent upon the consent of the Enterprise Services. Upon execution of this Cooperative Purchasing Agreement, the under-signed entity is designated as an Authorized Purchaser ("Purchaser"), authorized to make purchases under Master Contract 03118. As stated in the attached *Competitive Procurement Certificate*, the Master Contract was competitively bid, evaluated, and awarded under the procurement laws of the State of Washington and meets Federal Transit Administration requirements for a State Cooperative Purchasing Contract under the FAST Act Sec. 3019. See RCW chapter 39.26 and Pub.L. 114-94. There are no pending protests or lawsuits pertaining to procurement or award of the Master Contract.

In accessing and utilizing the Master Contracts, pursuant to this Cooperative Purchasing Agreement, the parties agree as follows:

1. MASTER CONTRACT. Purchaser may make purchases from, access, and use the Transit Bus Master Contract #03118, consistent with the procurement law applicable to Purchaser and the terms of the Master Contract. The State of Washington makes no representation or warranty regarding Purchaser's governing law or whether this Master Contract is appropriate for Purchaser. That decision is up to Purchaser. In addition, the State of Washington makes no representation or warranty regarding whether the products and services available under this Master Contract is appropriate for Purchaser.
2. CONTRACT CONSENT. Consistent with Purchaser's procurement authority, Purchaser may propose and negotiate jurisdiction-specific terms with the applicable Contractor to meet Purchaser's needs, subject to agreement with the applicable Contractor. **Under no circumstances will Purchaser's jurisdiction-specific agreements change or modify the contract obligations between the State of Washington and the applicable Master Contract Contractor.** Upon execution of Purchaser's agreement with the Master Contract Contractor, Purchaser shall provide a copy of the same to Enterprise Services prior to making any purchases under the Master Contract.
3. ACCURATE PURCHASES. Purchaser shall make orders within the scope of the Master Contract. Any purchases outside of the scope of the Master Contract by Purchaser is a breach of this Cooperative Agreement for which Enterprise Services may void this agreement and any purchases by Purchaser under the Master Contract. Purchaser represent and warrant to use reasonable, good faith efforts to assist the Contractor in obtaining and reporting to Enterprise Services, for purposes of the applicable Vendor Management Fee, accurate purchases under the Master Contract.

4. **VENDOR MANAGEMENT FEE.** The Vendor Management Fee set forth in the Master Contract shall be paid by the applicable Contractor to Enterprise Services on all applicable purchases. In no event shall Purchaser modify, waive, or terminate the Vendor Management Fee. Any such modification, waiver, or termination of the Vendor Management Fee shall be deemed a material breach of this Cooperative Purchasing Agreement and shall terminate the Agreement; and, in the event Purchaser modify, waive, or terminate the Vendor Management Fee Purchaser shall, by such act, agree to notify Enterprise Services of the same and to pay to Enterprise Services, within thirty (30) days, the equivalent of the otherwise applicable Vendor Management Fee.
5. **AGREEMENT MANAGEMENT; NOTICES.** The parties hereby designate the following individuals as the respective single points of contact for purposes of this Agreement. The parties may change such individuals by written notice as set forth below. Any notices required or desired shall be in writing and sent by U.S. mail, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

ENTERPRISE SERVICES

Attn: _____
Department of Enterprise Services
PO Box 41411
Olympia, WA 98504-1411
Tel: (360) XXX-XXXX
Email:

SELKIRKS PEND OREILLE TRANSIT

Attn: **David Sims, Director**
31656 Hwy 200 Suite 102 Box 8
Ponderay, ID 83852
Tel: **(208) 263-3774**
Email: **dsims@spotbus.org**

Notices shall be deemed effective upon the earlier of receipt, if mailed, or, if emailed, upon transmission to the designated email address of said addressee.

6. **COMMUNICATION.** In the event Purchaser becomes aware of a significant contract performance issue pertaining to the Master Contract that, in Purchaser's reasonable judgment, could adversely impact the State of Washington, Purchaser shall communicate the same to Enterprise Services.
7. **CONTRACTOR DISPUTES.** Purchaser are responsible for resolving any disputes between Purchaser and the applicable Master Contract Contractor on their purchases. Purchaser shall notify Enterprise Services of any material dispute between Purchaser and the applicable Master Contract Contractor. Enterprise Services may assist Purchaser in resolving disputes with Master Contract Contractor(s).
8. **HOLD HARMLESS.** Other than those obligations expressly set forth in this Cooperative Purchasing Agreement, including the right of the State of Washington to the Vendor Management Fee, the parties shall have no liability whatsoever to each other with regard to transactions arising out of this Cooperative Purchasing Agreement or the Master Contract.
9. **TERM.** Upon execution, this Cooperative Purchasing Agreement shall continue for the term of the applicable Master Contract, as amended or extended; Provided, however, that, upon notice to Enterprise Services, Purchaser may terminate Purchaser's participation in this Cooperative Purchasing Agreement at Purchaser's convenience upon Purchaser's termination of Purchaser's participation in the Master Contract.
10. **TAXES/FEES.** Unless otherwise agreed with Contractor, Purchaser shall pay applicable sales and use taxes imposed by the tax jurisdictions in which delivery occurs on purchased goods and/or services. Contractor agrees not make any charge for federal excise taxes and Purchaser shall furnish Contractor with an exemption certificate where appropriate.
11. **APPROVAL PROCESS.** Purchaser shall submit to Enterprise Services purchase information for approval of purchases under the Master Contract. Enterprise Services shall include the respective

state Department of Transportation for purchasing using FTA funds which require state DOT approval. Purchaser shall provide necessary purchase information for each purchase including but not limited to, the final purchase order, the use of FTA funding, FTA grant number, Department of Transportation contact for approval.

12. **PURCHASER INFORMATION.** Purchaser hereby designates the following contract administrator as the single point of contact for business activities under this Master Contract.

Purchaser Information	
Organization Name	Selkirks Pend Oreille Transit
Tax Identification Number	81-2792373
State Business Identification Number (Required for Non-Profit entities)	
Contact Name	David Sims
Title	Director
Address	31656 Hwy 200 Suite 102 Box 8
City, State, Zip	Ponderay, ID 83852
Phone Number	208-263-3774
Email Address	dsims@spotbus.org

13. **SCOPE OF PARTICIPATION.** Purchaser shall provide Enterprise Services with Purchaser's estimates for purchases under the Master Contract. Purchaser shall provide updates on their estimated purchases if there is a material change in planned purchases under the Master Contract. The purchasing estimates are for Enterprise Services' planning purposes in managing and approving purchases on the Master Contract.

Category	Estimated Purchases
Heavy Duty	none
Light/Medium Duty	\$255,000 (total for 2021 and 2022)
Double Decker	none
Rebuilt	none
Refurbish	none
Repower	none

GENERAL PROVISIONS

1. **INTEGRATED AGREEMENT; MODIFICATION.** This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior negotiations and representations. This Agreement may not be modified except in writing signed by the parties.
2. **AUTHORITY.** Each party to this Agreement, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Agreement and that its execution, delivery, and performance of this Agreement has been fully

authorized and approved, and that no further approvals or consents are required to bind such party.

3. ELECTRONIC SIGNATURES. A signed copy of this Agreement or any other ancillary agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement or such other ancillary agreement for all purposes.
4. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Agreement at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Agreement.

EFFECTIVE as of the day and date first above written.

STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES

Selkirk Pend Oreille Transit

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: Nancy Lewis _____

Title: Board Chair _____

Date: _____