

INTERLOCAL AGREEMENT

This Agreement (hereinafter referred to as "Agreement") is made by and between the Whatcom Transportation Authority, 2011 Young Street, Bellingham WA 98225 (hereinafter called "WTA") and the Port of Bellingham, 1801 Roeder, Bellingham WA 98225 (hereinafter called "Port").

WHEREAS, the Port is the owner of certain real estate situated in Bellingham, Whatcom County, Washington, known as Fairhaven Station; and

WHEREAS, the WTA operates the mass transit bus system in Whatcom County, Washington; and

WHEREAS, the Port has a multi-modal transportation facility where passenger rail, private regional bus service and local public transportation provide service, and the WTA desires to obtain permission to access the Port's property related to establishing mass transit bus service; and

WHEREAS, the Port desires to grant permission to the WTA for establishing and operating mass transit bus service;

NOW, THEREFORE, in consideration of the mutual benefits derived from this agreement, the sufficiency of which is acknowledged by the parties hereto, it is agreed as follows:

1. The Port grants to the WTA a license and right of use to drive its mass transit buses onto the property as described below, and to use the site for transit bus service.

Transit buses will enter from Harris Street at the Fairhaven Station ingress used by Greyhound and other private providers, will then turn right into a bus pullout reserved for WTA buses, and then make a left turn on to Harris Street and public roadway.

2. Clear vehicle access is essential to the safe operation of the WTA bus routes. The Port will take necessary steps to ensure WTA has a clear path of travel. The Port shall not allow vehicles to park in the designated transit access areas and shall cause any vehicles parking in those areas to be removed (description above).
3. The WTA and the Port will cooperate to place customer information inside or outside the Fairhaven Station as naturally determined.
4. In the event of snow, the Port will take steps to remove snow and ice and to sand or otherwise keep the path of travel passable.
5. The WTA agrees to hold harmless and indemnify the Port from any claims, actions or damages arising out of the WTA's use of the real property at the Fairhaven Station, as contemplated by this agreement which claims, actions or damages are a result of the negligent acts or actions of the WTA. The WTA shall not hold harmless or indemnify the Port for any claims, actions, or damages arising out of the acts, omissions or negligence of the Port. The WTA will not be responsible for maintaining roadway surfaces.
6. The License is personal to the WTA and is not assignable to any other person or entity. Any attempt to assign this License Agreement shall be deemed a termination.

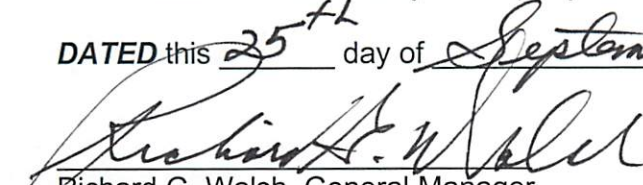
7. Either the Port or the WTA may terminate this License Agreement upon six (6) months prior written notice delivered to the other.
8. Any notice required under this License Agreement shall be deemed given when mailed by Certified United States Mail, return receipt requested with postage fully prepaid, addressed to the other party at the following address, or at such address as may be designated by either party hereafter by written notice to the other.

Jim Darling, Executive Director
Port of Bellingham
1801 Roeder
Bellingham WA 98225

Richard G. Walsh, General Manager
Whatcom Transportation Authority
2011 Young Street
Bellingham WA 98226


9. The License Agreement will be effective per the date below, and continue year to year, unless terminated by either party as noted number in seven, above.

DATED this 25th day of September, 2001.


Richard G. Walsh, General Manager
Whatcom Transportation Authority


Jim Darling, Executive Director
Port of Bellingham

APPROVED AS TO FORM:


Richard J. Langabeer
Legal Counsel for the Authority