



CITY OF CONROE

Est. 1904

FLEET SERVICES DIVISION
INTER-LOCAL AGREEMENT

STATE OF TEXAS
COUNTY OF MONTGOMERY

INTER-LOCAL AGREEMENT
FOR THE PROVISION OF FLEET MAINTENANCE SERVICES BY
THE CITY OF CONROE

This Inter-local Agreement (“Agreement”) for the provision of fleet maintenance services is made and entered into by and between the City of Conroe, Texas a municipal corporation located in Montgomery County, Texas (hereinafter referred to as “Conroe”) and the undersigned unit of local government or non-profit located in Montgomery County, Texas (hereinafter referred to as “Customer”). This agreement shall be for a total period described below; the fleet of vehicles shall be defined initially as vehicles belonging to the Customer.

WHEREAS, the Customer is interested in maintaining its vehicles at a cost-effective rate to provide public services to its Citizens; and

WHEREAS, the City of Conroe has an award-winning fleet services department that is capable of providing fleet maintenance services at a cost-effective rate; and

WHEREAS, Customer has requested Conroe make service available for the maintenance, repair and fleet services of vehicles owned by the Customer; and

WHEREAS, Customer shall pay for this maintenance service as provided herein; and

WHEREAS, it is mutually advantageous to both parties to enter into this agreement; and

WHEREAS, Texas Government Code, Chapter 791 (the “Act”), provides authorization for political subdivisions to contract with one another for the performance for governmental functions and services under the terms of the Act: and

WHEREAS, the City of Conroe also desires to make such services available to non-profit organizations engaged in the provision of public services:

WITNESSETH

NOW, THEREFORE, for and in consideration of the mutual covenants, terms and conditions set forth herein, and the mutual benefits to each party, the receipt and sufficiency of which are hereby acknowledged, Customer and Conroe hereby contract, covenant, warrant and agree as follows:

I

ADOPTION OF PREAMBLE

All of the matters stated in the preamble of the Agreement are true and correct and are hereby incorporated into the body of the Agreement as though fully set forth in their entirety herein.

II

OBLIGATIONS OF THE PARTIES

1. Customer shall pay for maintenance and related services according to the schedule of rates and charges attached in Appendix "A". Payment shall be due within thirty (30) days of receipt of invoice. Such payments shall be made payable to the City of Conroe and sent to the attention of Accounts Payable, City of Conroe, P.O. Box 3066, Conroe, Texas 77304.
2. Conroe agrees to invoice Customer on a monthly basis. Invoices shall be sent to the attention of Customer at the address indicated below or via email.
3. This Agreement shall be in effect for calendar year 2024, and shall thereafter be automatically renewed for successive one-year periods until terminated as provided by paragraph 4 below.
4. Either party may terminate this Agreement at any time by giving written notice of such termination to the other party at least 30 days prior to the specified termination date. Termination shall not affect the obligation of Customer to pay for services incurred prior to termination.

III

INDEMNIFICATION AND HOLD HARMLESS

1. To the extent allowed by law Customer agrees to indemnify and hold Conroe harmless from any claim by a third party for damages arising from or resulting from the use or operation of Customers motor vehicles, provided however this indemnity shall not extend to claims or causes of action arising from the exclusive negligence of the City of Conroe.
2. Customer shall maintain motor vehicle liability insurance as required by state law.

3. For so long as this agreement remains in effect Conroe shall maintain Garage Keeper's Liability insurance with liability limits of not less than \$1,000,000.

IV NOTICES

Any notice required to be given under the Agreement shall be deemed to have been adequately give if deposited in the United States mail in an envelope with sufficient postage and properly addressed to the other party as follows:

TO CONROE

City of Conroe
P.O. Box 3066
Conroe, Texas 77301
Attention: City Manager

TO CUSTOMER

City of Montgomery
101 Old Plantersville Road
Montgomery, TX 77356
Attention: City Administrator

A change of address may be made by either party upon the giving of ten (10) days prior written notice.

V MISCELLANEOUS PROVISIONS

1. This Agreement shall be binding upon and insure to the benefit of the parties hereto and their respective successors and assigns.
2. This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter hereof.
3. No amendment, modification or alteration of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties.
4. This Agreement may be executed concurrently in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5. If, in case any one or more of the provisions contained in the Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
6. The obligations and undertakings of each of the parties to this Agreement are and shall be performable in Montgomery County, Texas.
7. Each party hereto warrants that it has received authority from its governing body to enter into this Agreement.
8. The schedule of rates and charges attached as Appendix "A" is hereby made a part of this Interlocal agreement. Conroe reserves the right to modify the schedule of rates and charges upon thirty (30) days written notice to Customer and upon such written notice the modified rates and charges will go into effect and replace all prior schedules of rates and charges.
9. The parties hereto acknowledge that its obligations hereunder are payable from current revenues.

EXECUTED this the _____ day of _____, 20_____.

CITY OF CONROE, TEXAS

CUSTOMER

Gary Scott, City Manager

Gary Palmer, City Administrator

ATTEST:

ATTEST:

Soco Gorjon, City Secretary

Nicola Browe, City Secretary

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney
City of Conroe, Texas

City Attorney
City of Montgomery, Texas

APPENDIX A

PREVENTIVE MAINTENANCE LABOR RATES (PMs IN SHOP LABOR ONLY)

Repair Code	Description	Cost/Flat	Time
• A	7,500 miles or 450 hours	\$42.50	.50
• B	15,000 miles or 900 hours	\$51.00	.60
• C	30,000 miles or 1350 hours	\$55.25	.65
• D	7,500 miles Diesel or 450 hrs.	\$106.25	1.25
• E	Equipment Drives	Based on make & model	
• F	Equipment Transmission	Based on make & model	
• G	Transfer / Winch	Based on make & model	
• H	Hydraulic	Based on make & model	
• J	Truck Differential	Based on make & model	
• T	Trailer PM	\$85.00	1.00
• 1	Brake Inspection	\$34.00	.40
• 4	Safety Inspection	\$7.00	
• 7	Safety & Emissions	\$25.50	

VEHICLE PICK UP AND DELIVERY FEES

- If customer picks up and delivers No charge
- If Fleet Services picks up or delivers Hourly rate each way
- If Fleet Services picks up using Truck and/or trailer \$140.00

STANDARD REPAIR LABOR RATES

Labor rate charges are: \$85.00

Fleet Services charges an hourly labor rate based upon the accumulated maintenance time for repairs. We propose to charge a standard (flat rate) time for preventive maintenance only. With Municipal Fleet repairs there are always variables that will affect repair times such as emergency lights, radios, and specialty equipment not normally found in privately owned vehicles. While performing preventive maintenance and inspections the technician notices a safety related problem with your vehicle we will open a separate work order to perform that repair. Our preventive maintenance program provides a systematic inspection of the vehicle. All levels of preventive maintenance have been customized to each customer needs.

- Labor warranty 180 days

PARTS AND COMPONENTS MARKUPS

- Fleet Services sources/provides parts Cost + 25%
- All price discounts, warranties, etc., are directly passed through to customer

OUTSOURCED INSPECTION, REPAIR AND COMPLIANCE MARKUPS

- If customer manages outsourced activities No Charge
- If Conroe manages outsourced activities Cost + 5%

OTHER MARKUPS AND FEES

- Carwash \$7.00 per wash
- Acquisition / Disposal/Auction Prep Hourly rate per vehicle
- Replace lost or stolen vehicle keys Cost + 25%
- Standard reports No Charge
- Customized management reports \$25.00 per report
- Shop/Supply/Data Fee \$8.25 per work order
- Freight Hot Shot Service Houston \$160.00 or market rate

PAYMENT TERMS AND CONDITIONS

- Billing period 30 days Standard
- Standard terms Net 30 days