

**WAKE TRANSIT MASTER PARTICIPATION AGREEMENT
("MASTER AGREEMENT")**

Between

GOVERNANCE ILA PARTIES:

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
("GoTriangle"), CAPITAL AREA METROPOLITAN PLANNING ORGANIZATION
("CAMPO"), and COUNTY OF WAKE ("Wake County")**

and

ELIGIBLE PARTICIPANT PARTIES:

**CITY OF RALEIGH, TOWN OF CARY, TOWN OF APEX, TOWN OF FUQUAY-
VARINA, TOWN OF GARNER, TOWN OF HOLLY SPRINGS, TOWN OF
KNIGHTDALE, TOWN OF MORRISVILLE, TOWN OF ROLESVILLE, TOWN OF
WAKE FOREST, TOWN OF WENDELL, TOWN OF ZEBULON, NORTH CAROLINA
STATE UNIVERSITY, AND RESEARCH TRIANGLE PARK FOUNDATION**

(Hereinafter referred to as Participant Parties);

(All parties collectively referred to herein as "Parties")

WITNESSETH:

WHEREAS, the Parties to this Agreement, who have or may have specific roles in the implementation of public transit and the support of public transit infrastructure in the Wake County area, have determined that it is in their best interest and the best interest of the constituents they represent to coordinate future public transit planning, funding, expansion and construction; and

WHEREAS, a strategic transit vision document that sets forth an enhanced public transit plan for Wake County referred to as the "*Wake County Transit Plan*" ("Wake Transit Plan") was unveiled on or about December 8, 2015, and adopted by the GoTriangle Board of Trustees on May 25, 2016, CAMPO's Executive Board on May 18, 2016, and the Wake County Board of Commissioners on June 6, 2016; and

WHEREAS, in conjunction with the Wake Transit Plan, the Governance ILA Parties adopted the *Wake Transit Governance Interlocal Agreement* ("Governance ILA") that details revenue sources for the funding of the Wake Transit Plan, sets parameters as to expenditure of funds, and creates a governance structure for the implementation of the Wake Transit Plan by and through the annual Wake Transit Work Plan; and

WHEREAS, the Governance ILA specifically created the Transportation Planning Advisory Committee (TPAC), made up staff representatives from the Governance ILA Parties and the Eligible Participant Parties, and charged the TPAC with coordinating and recommending the planning and implementation aspects of the Wake Transit Work Plan;

WHEREAS, the Governance ILA and the Parties to this Agreement expect an inclusive and cooperative process for the continuous development of the Wake County Transit Plan, whereby Parties are specifically enabled to make recommendations, develop, and review the Wake Transit Work Plan and have a role in the approval of the Wake County Transit Plan and the Wake Transit Work Plan through structured representation on the CAMPO Executive Board and GoTriangle Board of Trustees that have jurisdiction over the development and implementation of the Wake County Transit Work Plan; and

WHEREAS, the purpose of this Wake Transit Master Participation Agreement is to: 1) serve as the master agreement which will establish the standards that will govern the Parties eligibility for inclusion in the Wake County Transit Work Plan and receipt of any funding allocation from Wake County Transit Tax Revenue; 2) evidence the Participant Parties' approval of the Wake County Transit Plan and the annual update process; 3) Confirm the Participant Parties' role in carrying out Transportation Planning Advisory Committee (TPAC) responsibilities.

NOW THEREFORE, in consideration of the above recitals and the mutual covenants herein contained, the Parties hereto agree as follows:

ARTICLE I

PURPOSE, SCOPE, RESPONSIBILITIES & LIMITATION OF AUTHORITY

Section 1.01 Purpose. The Parties hereby recognize that the Wake County Transit Plan as adopted and amended by the Wake Transit Work Plan will serve as a guidance document for public transit investment in the Wake County Area. The primary purpose of this Agreement is to set the parameters for all Parties who desire to receive project funding from Wake County Tax Revenues and to define the scope of the Parties' participation in the development of the recommended Wake County Transit Work Plan. This Agreement also defines the roles of the Parties with respect to future planning, design, funding, and implementation of the Wake County Transit Plan as it comports with the overarching governance structure detailed in the Governance ILA.

Section 1.02 Scope & Limitation of Authority. Participation in this Agreement shall be limited to the purposes enumerated herein. No Party by virtue of execution of this Agreement has the right to expand, abridge, limit or constrain the authority or actions of (1) GoTriangle and CAMPO or the TPAC created by the Governance ILA with respect to the administration of the Wake County Transit Plan; or (2) any other Party, except as specifically agreed to herein. Nothing herein shall be construed to grant funding for any Implementation Element to any Party. Further, any Party receiving Wake County Transit Tax Revenue for an Implementation Element is wholly responsible for implementation of the element except as may be set forth by future agreements between individual Parties. Participation in this Agreement shall not confer additional responsibilities upon other Parties for particular Implementation Elements. The Parties hereby recognize that the official governance and oversight for the Wake County Transit Plan according to the terms of the Governance ILA and this agreement shall reside with CAMPO's Executive Board and the GoTriangle Board of Trustees to which every Party to this Agreement has structured representation.

Section 1.03 Responsibilities of the Governance ILA Parties. The Governance ILA Parties shall have the responsibilities and duties set out in the Governance ILA.

Section 1.04 Responsibilities of the Participant Parties. The Participant Parties shall:

- a. Provide staff to serve on the TPAC; and
- b. Prior to and as a condition of receiving Wake Transit Tax Revenue to deliver Implementation Elements as identified within the Wake Transit Work Plan, negotiate and enter into Capital Funding Agreements and/or Operating Agreements.

ARTICLE II DEFINITIONS

“ANNUAL CAPITAL BUDGET” shall mean the first year of the multi-year Capital Improvement Plan (CIP) which is enacted by adoption of the capital projects ordinance pursuant to N.C.G.S. Chapter 159. This budget shall include the allocation of financial resources to specific project sponsors for specific projects. Appropriations that are made pursuant to the Annual Capital Budget shall be budgeted to projects, programs, or implementation elements in a multi-year major fund such that funding does not revert to available capital fund balance at the end of the fiscal year.

“ANNUAL OPERATING BUDGET” shall mean the proposed plan for raising and spending money for specified Wake Transit Annual Work Plan programs, functions, activities or objectives during a fiscal year as that term is further defined in N.C.G.S. 159-7(b)(1). The annual operating budget shall be budgeted by major fund and shall include the allocation of financial resources for operating for specified projects and services to be undertaken by specified project sponsors. The annual operating budget shall also contain the annual administrative budget for the major fund for financing its overhead costs related to Tax District administrative functions, the details of which shall be provided independently of operating costs associated with transit operating projects.

“CAPITAL FUNDING AGREEMENT” shall mean an agreement to provide Wake Transit Tax Revenue to fund or support an Implementation Element tied to a capital investment. Capital Funding Agreement(s) shall set forth at a minimum:

- a. technical project description
- b. anticipated project performance characteristics;
- c. project implementation schedule and milestones;
- d. detailed revenue and expenditure projections by fiscal year;
- e. reporting requirements;
- f. audit provisions;
- g. allocation of matching funds for local systems if applicable;
- h. if project is debt funded, provisions for addressing any items required for title, debt covenants, or other related items;
- i. public involvement and engagement expectations;
- j. method for termination;
- k. issue resolution process;

“COMMUNITY FUNDING AREAS” shall mean areas in Wake County where additional transit services can be provided with joint participation and funding from the local government(s) and/or Research Triangle Park.

“GOVERNANCE INTERLOCAL AGREEMENT” or “GOVERNANCE ILA” shall mean the Transit Governance Interlocal Agreement dated May 18, 2016 between Research Triangle Regional Public Transportation Authority (“GoTriangle”), Capital Area Metropolitan Planning Organization (“CAMPO”), and Wake County that provides a plan of governance related to the implementation of public transit services and projects outlined in the Wake County Transit Plan.

“IMPLEMENTATION AGREEMENTS” shall mean regular and annual agreements that outline the details of how projects in the Wake County Transit Annual Work Plan shall be implemented. These agreements shall be designated as Operating Agreements or Capital Funding Agreements and will clearly outline implementation standards as defined. The expected amount of funds associated with each Implementation Agreement will be clearly defined in the Wake Transit Work Plan.

“IMPLEMENTATION ELEMENT” shall mean a discrete project, operation or study or a discrete logical grouping of projects, operations or studies tracked separately by the Wake County Transit Work Plan.

“INTERLOCAL AGREEMENT FOR THE ADMINISTRATIVE DISTRIBUTION OF THE WAKE COUNTY \$7 VEHICLE REGISTRATION TAX” shall mean the Agreement executed on or about January 2017, by and between Wake County, City of Raleigh, Town of Cary, Town of Wake Forest, City of Durham, and GoTriangle for the administrative distribution of funds derived from a new Wake County \$7.00 Vehicle Registration Tax in accordance with N.C.G.S. § 105-570.

“MAJOR FUND” shall be, as defined by the Governmental Accounting Standards Board (“GASB”), a fund that is reported in a separate column in the basic fund financial statements and is subject to a separate audit opinion in the independent auditor’s report. As defined, the Tax District shall report a major fund for the Wake Transit Work Plan Operating Funds and a major fund for the Wake Transit Work Plan Capital Funds.

“MULTI-YEAR CAPITAL IMPROVEMENT PLAN” (“CIP”) shall mean a multi-year document that identifies by year projected capital projects, project sponsors responsible for undertaking these projects, the financial costs and anticipated sources of funding for those projects, and identifies any projected operating costs associated with those projects. The CIP shall be coordinated with the Metropolitan Transportation Plan, Transportation Improvement Program, and annual program of projects developed and maintained by the Raleigh Urbanized Area designated recipient of federal formula transit grants so as to be consistent with submittal deadlines for the Transportation Improvement Program and the horizon years of the Metropolitan Transportation Plan.

“MULTI-YEAR OPERATING PROGRAM” shall mean the annual document describing transit operating programs, which could include the development of local bus, express bus, Bus Rapid Transit, and commuter rail services to be funded by the Tax District. It will describe service changes planned for the year and preliminary service proposals and financial projection for the subsequent years. A detailed report on the status of each bus and rail route shall also be included, along with performance objectives for the coming year. The document shall also describe administrative, planning, marketing, or other functions that are not directly accounted for in specific infrastructure project delivery or allocated to service delivery, but which are essential to the implementation of the Transit Plan.

MULTI-YEAR SERVICE IMPLEMENTATION PLAN” shall mean the annual or regular process and document that determines and describes the order in which projects and services are scheduled to be implemented and added to the transit network. The projects and priorities outlined in this document will be reflected in the annual and multi-year documents of the WAKE COUNTY TRANSIT WORK PLAN.

“MULTIYEAR VISION PLAN” or the “WAKE COUNTY TRANSIT VISION PLAN” shall mean a plan adopted by CAMPO, GoTriangle, and Wake County, outlining multiple decades of investment in transit and transit infrastructure. This plan shall align with and /or be a part of other CAMPO transportation investment plans.

“OPERATING AGREEMENT” shall mean an agreement to provide Wake Transit Tax Revenue to fund or support an Implementation Element , tied to service provision. At a minimum, the

Operating Agreement shall set forth:

- a. a description of operations;
- b. minimum service standards and characteristics: standards for elements such as stops, frequency, span, service productivity and headways will be defined;
- c. allocation of costs and funding sources consistent with multi-year operating program and annual operating budget amounts;
- d. respective roles of parties and transit agencies in the provision of the projects and services outlined;
- e. Cost-effective service delivery provisions;
- f. Transit service area;
- g. issue resolution process;
- h. method for termination;
- i. all Federal Transit Administration required certifications and assurances in accordance with 23 U.S.C. 134, 29 U.S.C. 623, 42 U.S.C. 2000, 42 U.S.C. 6102, 42 U.S.C. 12112, 42 U.S.C. 12132, 49 U.S.C. 5303; 49 U.S.C. 5332, 29 CFR Part 1630, 41 CFR Parts 60 et seq.;
- j. reporting requirements; and
- k. public involvement and engagement expectations.

“OPERATING BUDGET ORDINANCE” shall mean the annual financial ordinance budgeted for the Wake Transit major operating fund pursuant to N.C.G.S. Chapter 159, tied to Operating Agreements, that includes funds for the operations of projects identified in the Wake Transit Annual Work Plan, allocations for reserves, and transfers to other funds such as other Wake Transit major funds identified by the Component Unit. The Operating Budget Ordinance shall include the general administrative expenses of the unit separate from Project Operating Funds.

“OPERATING FUNDS” shall mean funds appropriated in the annual operating budget.

“SIGNIFICANT CONCERNS” shall mean any issue identified by GoTriangle, CAMPO or Wake County related to major decisions, including but not limited to funding, defunding, timing, allocation, assignments, responsibilities and risk, in developing and adopting the Wake County Transit Work Plan that cannot be resolved by and through the decision-making processes enumerated in the Governance ILA that requires the attention of the Conference Committee as set forth in the Governance ILA.

“SPECIAL DISTRICT” shall mean any tax district administered by GoTriangle pursuant to authorizing resolutions and N.C.G.S. 105-508 *et seq.* or N.C.G.S. 105-561 *et seq.* to which Wake County is a member, now or in the future.

“TAX DISTRICT” shall mean any tax district administered by GoTriangle pursuant to authorizing resolutions and N.C.G.S. 105-508 *et seq.* or N.C.G.S. 105-561 *et seq.* to which Wake County is a member, now or in the future.

“TRANSIT PLANNING ADVISORY COMMITTEE” or “TPAC” shall mean the committee created by the Governance ILA that is jointly charged with coordinating and recommending the planning and implementation aspects of the Wake County Transit Annual Work Plan.

“TRANSIT SERVICE PROVIDER” shall mean any municipality or agency that directly or through contract provides public transportation services in Wake County and that desires to receive Wake County Tax Revenue funding for the provision of said public transportation services by and through the Wake County Transit Work Plan.

“WAKE COUNTY TRANSIT TAX REVENUE” or “WAKE COUNTY TAX REVENUE” shall be defined as all revenues derived from transit funding sources in support of the Wake County Transit Plan, which shall include the ½ percent local option sales and use tax as defined by N.C.G.S. 105-508; the County vehicle registration fee assessed by the Wake County Board of Commissioners in accordance with N.C.G.S. 105-570 *et seq.*; the increased portion of the regional vehicle registration fee assessed by GoTriangle in accordance with N.C.G.S. 105-561 *et seq.* allocated to Wake County.; and the portion of vehicle rental tax collected by GoTriangle pursuant to N.C.G.S. 105-550 *et seq.* and allocated to Wake County by the GoTriangle Board of Trustees.

“WAKE COUNTY TRANSIT PLAN” shall mean the plan adopted by CAMPO, GoTriangle and the Wake County Board of Commissioners outlining multiple decades of investment in transit and transit infrastructure. The numerical data, assumptions, schedules, priorities, and implementation aspects of the Wake County Transit Plan will be reflected in the annually adopted WAKE COUNTY TRANSIT WORK PLAN.

“WAKE COUNTY TRANSIT WORK PLAN” or “WAKE TRANSIT WORK PLAN” or “ANNUAL PLAN” shall mean the comprehensive plan for transit capital and operations presented by the TPAC and approved by CAMPO and GoTriangle on an annual basis which directs funding and implementation for a specific year.

**ARTICLE III
TRANSIT PLANNING ADVISORY COMMITTEE**

3.01 Scope & Authorization. The Transit Planning Advisory Committee was established and enabled by and through the Governance ILA. By execution of this Agreement, the Parties confirm their commitment to serve on the TPAC and to carry out the responsibilities enumerated in this Article in association with their TPAC membership.

3.02 Membership. The Parties to this Agreement shall have representative membership on the TPAC as follows: two (2) staff members appointed by Wake County, two (2) staff members appointed by GoTriangle, two (2) staff members appointed by CAMPO, two (2) staff members appointed by the Town of Cary, two (2) staff members appointed by the City of Raleigh, one (1) staff member appointed by each of the municipalities of Apex, Fuquay-Varina, Garner, Holly Springs, Knightdale, Morrisville, Rolesville, Wake Forest, Wendell, and Zebulon and one (1) staff member appointed by North Carolina State University and one (1) staff member appointed by the Research Triangle Park Foundation. ~~Appointment to the TPAC shall be by action of the designated authority of each member.~~

3.03 Bylaws. As of the date of this Agreement, TPAC has enacted bylaws which have been approved by the GoTriangle Board of Trustees and CAMPO Executive Board. The TPAC bylaws shall govern quorum and voting standards, operational rules for the composition and function of TPAC, and guidelines for the scheduling of meetings to carry out the responsibilities contained within this Section.

3.04 TPAC Responsibility for the annual Wake County Transit Work Plan. Subject to its continuation and authority as set forth in the Governance ILA, the TPAC shall develop recommendations for each of the following elements of the Wake County Transit Work Plan, as further defined in the Governance ILA:

- (a) Annual Operating Budget Ordinance for the Wake Transit Major Fund which will appropriate funds for the planning, operation and administration of transit implementation elements; and
- (b) Annual Tax District administration budget for the Wake Transit major operating and capital fund; and
- (c) Multi-Year Capital Improvement Plan (CIP) for the Wake Transit major capital fund that clearly identifies specific projects, parties responsible for coordinating projects, project funding sources, and project expenditures; and
- (d) Annual Capital Budget Ordinance for the Wake Transit major capital fund that allocates financial resources to specific project sponsors for specific projects and represents the first year of appropriation of funding for capital projects identified in the Multi-Year CIP;
- (e) Multi-year Operating Program for the Wake Transit major operating fund that clearly identifies specific projects, parties responsible for operating those projects, project funding sources, and project expenditures; and
- (f) Update of the long term Wake Transit Financial Plan and financial model assumptions; and
- (g) Capital Funding Agreements as defined herein; and
- (h) Operating Agreements as defined herein.

3.05 Ancillary Responsibilities. In addition to the responsibilities outlined in Section 3.04 above, on an as needed, recurring basis, TPAC shall also provide detailed elements of a Multi-Year Service Implementation Plan; staffing model and staffing expectations plan; a program management policy and plan for the Community Funding Areas; Templates containing minimum standards for project and financial reports for the Wake Transit Major Funds; a project prioritization policy that guides the development of the CIP and longer term operating program and annual budgets; designation of project sponsors (agencies responsible for each respective capital and operating project), including agencies responsible for each Implementation Element; a Multiyear Vision Plan; an articulated strategy for each Implementation Element or agreement, which shall include scope, geography, purpose and goals, processes for allowing amendments, and processes for addressing Significant Concerns; detailed strategies for capital/infrastructure projects exceeding \$1,000,000; an articulated strategy for incorporating or accounting for public outreach, involvement, and communication with the deliverables set forth herein; and any other non-enumerated responsibilities to assist with the development of the Wake Transit Work Plan as determined by TPACs internal deliberation processes or as requested by CAMPO and GoTriangle.

3.06 The TPAC shall not delegate its responsibility to review and present documents and products which are defined in Section 3.04 and Section 3.05 as TPAC responsibilities.

3.07 Right to Inspect. All Parties to this Agreement, or their authorized representative(s), shall have the right to inspect, examine, and make copies of any and all books, records, electronic files, agreements, minutes, and other writings and work products related to the operation and day-to day business of the TPAC.

ARTICLE IV

ELIGIBILITY FOR WAKE COUNTY TRANSIT TAX REVENUE FUNDING

4.01 Requirements for Inclusion in the Wake County Transit Work Plan. It is hereby acknowledged that as a prerequisite for consideration and inclusion of Implementation Elements in the Wake County Transit Work Plan to be constructed or operated by a Party, the Party must: 1) be a Party in good standing with this Agreement; 2) be a participant on the TPAC; 3) execute and be in good standing with the Interlocal Agreement for the Administrative Distribution of the Wake County \$7 Vehicle Registration Tax, if Party has jurisdictional population in Wake County; and 4) negotiate and enter into Implementation Agreements, as applicable, to deliver Implementation Elements as identified within the Wake County Transit Work Plan and to be funded by Wake County Transit Tax Revenues. It is expressly agreed and understood that the conditions set forth in this Agreement are a pre-requisite for consideration of funding allocations from Wake County Transit Tax Revenues and no Party may receive Wake County Transit Tax Revenues unless they remain in compliance with the terms and conditions of this Agreement.

4.02 Implementation Agreements. The Parties to this Agreement acknowledge that all Implementation Elements contained in the Wake Transit Work Plan, whether partially or fully funded with Wake County Tax Revenues, will not move forward until subsequent agreements, identified as Capital Funding Agreements and Operating Agreements, are executed by and between the Party or Parties and GoTriangle, as administrator of the Special District. If any Implementation Agreement involves federal or state funding that is otherwise under the distribution and program management responsibility of CAMPO or, regardless of funding source, constitutes a regionally significant project as defined in 23 CFR § 450.104, CAMPO shall also be a party to the agreement. The purpose of this Section is to acknowledge, as defined, the minimum requirements of Implementation Agreements. Nothing herein shall be construed to bind a future governing board of a Party or otherwise alter its ability to negotiate or approve the contents of an Implementation Agreement.

4.03 Community Funding Areas. Community Funding Areas- projects shall be included in the Wake County Transit Work Plan and shall meet the same funding requirements as required within this Section.

ARTICLE V
SUPLANTATION/SUPPLEMENTATION

5.01 As of the effective date of this Agreement, N.C.G.S. § 105-508.2 and N.C.G.S § 105-564 requires that the net proceeds of the special tax district be used only to supplement and not to supplant or replace existing funds or other resources for public transportation systems. For purposes of this Section, the “net proceeds of the special tax district” shall only be the ½ percent sales tax proceeds contemplated under N.C.G.S. § 105-508.2 and vehicle registration tax proceeds contemplated under N.C.G.S § 105-564.

5.02 It is the intent of the Parties of this Agreement to comply with these statutes, as may hereafter be amended.

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ARTICLE VI
Term and Amendment

6.01 Term & Effective Date. This Agreement shall become effective upon approval and execution by the CAMPO Executive Board, the GoTriangle Board of Trustees and at least two Eligible Participant Parties. The Term of this Agreement shall run for a period of twenty five (25) years from the Effective Date, unless otherwise amended by the prior express written agreement of the Parties.

6.02 Amendment. This Agreement may be amended to add parties or to change content. After the Effective Date of this Agreement, any Eligible Participant Party or Governance ILA Party may become a Party to this Agreement upon execution of the Agreement by that Party's governing board (or equivalent). If any Party desires to amend the content of the Agreement, then the proposed amendment and the reasons for the proposed amendment shall be communicated in writing to the other Parties per the Notice provisions contained herein. If the Parties agree to the proposed amendment, then the amendment shall be effected by entering a written amendment to the Agreement.

6.03 Termination upon one (1) year's notice. Any Party may terminate its participation in this Agreement by giving written notice to each other Party of intent to terminate, as well as reasons for terminating (which shall be in the sole discretion of the terminating party), at least one (1) year prior to the effective termination date. Notwithstanding the above, any withdrawing Party shall have a duty to fulfill all obligations and duties of Implementation Agreements unless such Agreements are terminated in accordance with their provisions.

6.04 Cooperation Provisions. In the event of a termination, the terminating Party shall not be relieved of any existing and unperformed obligations up until the effective date of termination, and the Agreement shall remain in effect as to the non-withdrawing Parties. The non-withdrawing Parties, beginning at the time notice of termination is received, shall work together in good faith to determine if the intent and purpose of the Agreement can be accomplished by executing any Amendments deemed necessary and/or adding any parties deemed necessary to perform the executory obligations of the withdrawing Party.

6.05 Notice. Any written or electronic notice required by this section shall be delivered to the Parties at the following addresses:

ALL PARTIES TO BE ADDED

For GoTriangle:

GoTriangle
General Manager
PO BOX 13787
Research Triangle Park, NC 27709

| With a copy to:

GoTriangle
General Counsel
PO Box 13787
Research Triangle Park, NC 27709

| For CAMPO:

Capital Area Metropolitan Planning Organization
Executive Director
One City Plaza
421 Fayetteville Street, Suite 203
Raleigh, NC 27601

| For the City of Raleigh:

City of Raleigh
Attn: City Manager
PO Box 590
Raleigh, NC 27602

With a copy (which shall not constitute notice) to:

City of Raleigh
Attn: City Attorney
PO Box 590
Raleigh, NC 27602

| For the Town of Wake Forest:

Town of Wake Forest
Town Manager
301 S. Brooks Street
Wake Forest, NC 27587

| For the Town of Zebulon:

Town of Zebulon
Town Manager
1003 N. Arendell Ave
Zebulon, NC 27597

ARTICLE VII MISCELLANEOUS PROVISIONS

7.01 Representations and Warranties. The Parties each represent, covenant and warrant for the other's benefit as follows:

(a) Each Party has all necessary power and authority to enter into this Agreement and to carry out the transactions contemplated by this Agreement, and this Agreement has been

authorized by Resolution spread upon the minutes of each Party's governing body. This Agreement is a valid and binding obligation of each Party.

(b) To the knowledge of each Party, nNeither the execution and delivery of this Agreement, nor the fulfillment of or compliance with its terms and conditions, nor the consummation of the transactions contemplated by this Agreement, results in a breach of the terms, conditions and provisions of any agreement or instrument to which either Party is now a party or by which either is bound, or constitutes a default under any of the foregoing.

(c) To the knowledge of each Party, there is no litigation or other court or administrative proceeding pending or threatened against such Party (or against any other person) affecting such Party's rights to execute or deliver this Agreement or to comply with its obligations under this Agreement. Neither such Party's execution and delivery of this Agreement, nor its compliance with its obligations under this Agreement, requires the approval of any regulatory body or any other entity the approval of which has not been obtained.

7.02 Dispute Resolution. In the event of conflict or default that might arise for matters associated with this Agreement, the Parties agree to informally communicate to resolve the conflict. If any such dispute cannot be informally resolved, then such dispute, or any other matter arising under this Agreement, shall be subject to resolution in a court of competent jurisdiction. Such disputes, or any other claims, disputes or other controversies arising out of, and between the Parties shall be subject to and decided exclusively by the appropriate general court of justice of Wake County, North Carolina.

7.03 No Waiver of Non-Compliance with Agreement. No provision of this Agreement shall be deemed to have been waived by any party hereto unless such waiver shall be in writing and executed by the same formality as this Agreement. The failure of any party hereto at any time to require strict performance by the other of any provision hereof shall in no way affect the right of the other party to thereafter enforce the same. In addition, no waiver or acquiescence by a party hereto of any breach of any provision hereof by another party shall be taken to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself.

7.04 Governing Law. The parties intend that this Agreement be governed by the law of the State of North Carolina. Proper venue for any action shall solely be Wake County.

7.05 Assignment. No Party may sell or assign any interest in or obligation under this Agreement without the prior express written consent of the other Parties.

7.06 Independence of the Parties. Nothing herein shall be construed to modify, abridge, or deny the authority or discretion of any Party or municipality to independently develop, administer, or control transportation projects pursuant to enumerated authority or funding sources separate from those outlined in this Agreement.

7.07 Liability of Officers and Agents. No officer, agent or employee of any party will be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to the transactions contemplated hereby. Such officers, agents or employees will be deemed to execute such documents in their official capacities only, and not in their individual capacities. This section will not relieve any such officer, agent or employee from the performance of any official duty provided by law.

7.08 Execution in Counterparts/Electronic Version of Agreement. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Either Party may convert a signed original of the Agreement to an electronic record pursuant to a North Carolina Department of Natural and Cultural Resources approved procedure and process for converting paper records to electronic records for record retention purposes. Such electronic record of the Agreement shall be deemed for all purposes to be an original signed Agreement.

7.09 No Waiver of Sovereign Immunity. Nothing in this Agreement shall be construed to mandate purchase of insurance by Wake County pursuant to N.C.G.S. 153A-435; or to be inconsistent with Wake County's "Resolution Regarding Limited Waiver of Sovereign Immunity" enacted October 6, 2003; or to in any other way waive any Party's defense of sovereign or governmental immunity from any cause of action alleged or brought against any Party for any reason if otherwise available as a matter of law.

7.10 No Waiver of Qualified Immunity. No officer, agent or employee of any Party shall be subject to any personal liability by reason of the execution of this Agreement or any other documents related to the transactions contemplated hereby. Such officers, agents, or employees shall be deemed to execute this Agreement in their official capacities only, and not in their individual capacities. This section shall not relieve any such officer, agent or employee from the performance of any official duty provided by law.

7.11 Iran Divestment Act. The Parties hereby certify that they, and all permitted subcontractors, if any, are not on the Iran Final Divestment List created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58.

7.12 No third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement.

[SIGNATURE PAGES TO FOLLOW]