

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
2	09/26/11	Open	Action	09/13/11

Subject: Delegation of Authority to the General Manager/CEO to Approve and Execute all Utility Agreements

## ISSUE

Whether or not to delegate authority to the General Manager/CEO or his designee to obtain public utility services from monopoly utility providers.

## RECOMMENDED ACTION

Adopt Resolution No. 11-09\_\_\_\_\_, Authorizing the General Manager/CEO or His Designee to Obtain Public Utility Services from Monopoly Utility Providers and to Execute Agreements Necessary to Obtain Such Services

## FISCAL IMPACT

None, as a result of this action.

## DISCUSSION

RT obtains utility services (natural gas, water and electricity) from utility companies that have a monopoly over the provision of those services. These services are needed for RT's day-to-day operations. Because of the monopolistic nature of these services, it would be fruitless to solicit competition, as would typically be required under RT's Procurement Ordinance. These providers may require utility agreements for the purpose of establishing service and setting rates for service. These rates are regulated by law and are non-negotiable.

Currently, each time RT establishes a new utility service, the RT Procurement Ordinance requires Staff to have the Board approve a contract that is non-negotiable. This can cause unnecessary delays to establish needed services. The General Manager/CEO needs the authority to obtain these services and execute necessary agreements in a timely manner to avoid lapses in utility service.

Staff is requesting authority be granted to the General Manager/CEO or his/her designee to obtain utility services from monopoly utility providers.

---

Approved:

Presented:

Final 9/14/11

General Manager/CEO

Chief of Facilities and Business Support Services

C:\Temp\BCL Technologies\NitroPDF6\@BCL@180F146D\@BCL@180F146D.doc

RESOLUTION NO. 11-09-\_\_\_\_\_

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

September 26, 2011

**AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO OBTAIN  
PUBLIC UTILITY SERVICES FROM MONOPOLY UTILITY PROVIDERS AND TO  
EXECUTE AGREEMENTS NECESSARY TO OBTAIN SUCH SERVICES**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE  
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Sacramento Regional Transit District (RT) requires utility services that  
are only offered by one provider to carry out its operations.

THAT, pursuant to section 1.405.B of the RT Procurement Ordinance, it would be  
futile to solicit competition for these services.

THAT, the General Manager/CEO or his/her designee is hereby granted authority to  
obtain public utility services from monopoly utility providers at the regulated rates for such  
services and to execute any agreements necessary to obtain such services.

\_\_\_\_\_  
DON NOTTOLI, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary