

REGIONAL TRANSIT ISSUE PAPER

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Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
13	06/25/12	Open	Action	06/11/12

Subject: Authorizing the First Amendment to the Agreement with the City of Citrus Heights for Bus Service.

ISSUE

Whether or not to delegate authority to the General Manager/CEO the First Amendment to the Agreement with City of Citrus Heights for Bus Service.

RECOMMENDED ACTION

Adopt Resolution No. 12-06-_____ Delegating Authority to the General Manager/CEO to Approve the First Amendment to the Agreement with City of Citrus Heights for Bus Service.

FISCAL IMPACT

The contract would continue for one year with existing provisions, with one exception. The \$300,000 annual Transit Service Enhancement credit would not accrue during the one-year extension.

DISCUSSION

Since 2001, RT and the City of Citrus Heights have had a contract for the provision of transit service. In December 2007, the RT Board approved an agreement with the City of Citrus Heights for the operation of bus service and associated maintenance activities. The Agreement also allowed for the provision of customer service activities. In return for the services, Citrus Heights agreed to provide to RT an amount equal to the City's allocation of TDA funding minus an administrative fee.

The Agreement covers:

- The provision of transit service
- The charge for service
- Customer Service
- Bus Stop Maintenance
- Records and Reports
- Service Changes
- Terms of the Agreement, and
- Transit Service Enhancement Credit

The Agreement took effect on July 1, 2007 and expires on June 30, 2012.

Approved:


General Manager/CEO

Presented:


AGM of Planning and Transit System Development

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Subject Authorizing the First Amendment to the Agreement with the City of Citrus Heights for Bus Service.

Since approval of the present Agreement, there have been several changes in RT’s financial situation which RT expects may impact the cost and/or level of future transit service provided in Citrus Heights by RT. In addition, the TDA revenues for Citrus Heights have decreased. Also, the TransitRenewal recommendations include changes in service for the future. Because of these changes, Citrus Heights has requested an extension of the current Agreement for one year to enable the City to hire an independent contractor to evaluate the projected changes as a precursor to negotiating a new agreement.

Citrus Heights has proposed that the study will:

- Consider the TransitRenewal comprehensive operations analysis;
- Evaluate fiscal changes;
- Review and verify RT cost and revenue assumptions, including TDA and fare revenues;
- Consider the advantages of a negotiated annexation of Citrus Heights transit service into RT;
- Evaluate the basis for the transit enhancement credit; and
- Include an evaluation and make recommendations relative to the transit administration fee.

Citrus Heights has committed to engaging a contractor acceptable to RT and proposes that the contractor be paid through the funds previously committed for transit enhancement. The 2008 Agreement provides for a Transit Service Enhancement Credit of \$300,000, annually which, on approval of RT, can pay for service improvements or other transit related activities.

As part of the extension of the current Agreement, Citrus Heights has agreed to set aside the 2013 allocation of the Transit Service Enhancement Credit. The amendment will also update the descriptions of transit service provided in Citrus Heights and address the logistics of carrying out the study. No other contract terms will change during the extension of the current Agreement.

RT has not yet received confirmation from the City of Citrus Heights that the draft first amendment is acceptable. Consequently, Staff is requesting that the Board delegate authority to the General Manager/CEO to approve the final version of the amendment on the terms and conditions set out in this Issue Paper.

RESOLUTION NO. 12-06-_____

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

June 25, 2012

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO
TO APPROVE THE FIRST AMENDMENT TO THE AGREEMENT WITH CITY OF
CITRUS HEIGHTS FOR BUS SERVICE**

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

THAT, the Board hereby delegates authority to the General Manager/CEO to approve the First Amendment to the Agreement with the City of Citrus Heights for Bus Service, extend the term by one year until June 30, 2013, update the description of Bus Service, add provisions for the conduct of a transit study, and suspend accrual of the Transit Service Enhancement Credit.

BONNIE PANNELL, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary