

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	06/24/2013	Open	Action	06/24/13

Subject: Approve the First Amendment to the Collaborative Agreement with Paratransit, Inc. for the Provision of ADA Paratransit Services and Exhibit A to the Collaborative Agreement with Paratransit, Inc. for the Provision of ADA Paratransit Services for Fiscal Year 2013-2014

ISSUE

Whether or not to approve the First Amendment to the Collaborative Agreement with Paratransit, Inc. for the Provision of ADA Paratransit Services and Exhibit A to the Collaborative Agreement with Paratransit, Inc. for the Provision of ADA Paratransit Services for Fiscal Year 2013-2014 (FY14).

RECOMMENDED ACTION

Adopt Resolution No. 13-06-____, Approving the First Amendment to the Collaborative Agreement with Paratransit, Inc. for the Provision of ADA Paratransit Service and Exhibit A to the Collaborative Agreement with Paratransit, Inc. for the Provision of ADA Paratransit Services for Fiscal Year 2013-2014 (FY14).

FISCAL IMPACT

Budgeted:	12,361,515	This FY:	\$	n/a
Budget Source:	Operating Budget	Next FY:	\$	12,361,515
Funding Source:	Operating Budget	Annualized:	\$	n/a
Cost Cntr/GL Acct(s) or Capital Project #:	CC38, GL630091	Total Amount:	\$	12,361,515
Total Budget:	\$ 12,361,515			

DISCUSSION

RT contracts with Paratransit, Inc. to provide complementary paratransit service to fulfill RT's obligations as a public transit provider under the Americans with Disabilities Act (ADA). This contract (the "Collaborative Agreement") was most recently amended and restated in December 2012. The term of the agreement is 5 years and expires on June 30, 2017. The financial contributions of each party are set forth in an annually updated exhibit to the agreement (Exhibit A), which establishes the budget and service level for the year. These provisions may be readjusted annually by mutual approval of a new Exhibit A.

The Collaborative Agreement states that the budget for each new Fiscal Year must be established by multiplying the core trips to be provided by Paratransit during the new Fiscal Year by the core rate per trip. The core trip projection will be based upon the prior years' actual service level

Approved:

Presented:

Final 06/24/13

General Manager/CEO

Director, Accessible Services & Customer Advocacy

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increased by the demand growth estimate projected in the 10-year demand forecast. The demand forecast for ADA trips was developed by the consulting firm Nelson/Nygaard and is included as Exhibit B to the Collaborative Agreement. The estimate includes the amount demand is projected to grow each year over a ten year period (2012 – 2021) represented as a percentage increase in trips provided. For FY14, demand is projected to grow at a rate of 4.7%.

Beginning in FY14, the demand forecast will be applied to the most recent 12 month rolling year trip data available; i.e., May 2012 through April 2013. This change to an actual rolling year versus the actual prior fiscal year represents an amendment to the budget development methodology instituted in the Collaborative Agreement. The parties agree to the language contained in this first amendment to the Collaborative Agreement because it will allow the new Exhibit A to be in place prior to the beginning of the new fiscal year. The Agreement includes a methodology to reconcile actual service provided against projected service levels as the year progresses.

In FY13, it was expected that ADA service would increase 3.3% over FY12 service levels, with a projection of 306,780 trips. Year to date, service is about 1% below the projected levels. The revised projection for FY13 is approximately 301,000 trips. The actual rolling year of May 1, 2012 through April 30, 2013 is 299,141 trips. When the growth factor of 4.7% is applied to the 2012-2013 rolling year, the projected number of trips for FY14 is 313,201.

If the number of actual ADA trips provided by Paratransit is less than the projected number of core, Paratransit shall provide reimbursement for such trips to RT. Likewise, if there are more trips than projected, RT will reimburse Paratransit for the trips provided. A decrease in projected core Trips of more than 10% will establish a basis to re-open budget discussions between RT and Paratransit. Based on current trends, it is expected that RT will receive a reimbursement for a portion of FY13 service. For FY14, it is expected that the trip level will be at or below the projected 313,201. There are no unusual factors present that would cause demand to increase above historical trends. In FY13, constrained resources for human service agencies that support ADA paratransit riders, as well as enforcement of trip-by-trip eligibility for conditionally-eligible paratransit riders may be factors in the slightly lower than projected paratransit demand.

The core rate per trip is subject to an annual indexed cost adjustment, based on the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for Urban Consumers, West Region. The core rate per trip and variable rate per trip shall be adjusted by a percentage that is equal to the annual percentage change in the Index from March to March. The change between March 2012 and March 2013 was 1.50%; therefore, the FY14 Core Rate per trip will be \$43.33. Any trips in excess of the projected core trips will be funded at the variable rate, which is \$35.22 in FY14.

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Exhibit A for FY14 includes an estimate of 313,201 trips provided at the core rate of \$43.33, with any variable trips beyond the projected amount at \$35.22 per trip (\$13,570,999), reduced by \$1,221,484 in passenger fare revenue, resulting in an RT budget of approximately \$12,349,515. RT also provides funding at the rate of \$12,000 per year for the transportation of ADA paratransit applicants to the RT offices for eligibility certification, for a total RT contribution of \$12,361,515.

RESOLUTION NO. 13-06-_____

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

June 24, 2013

**APPROVING THE FIRST AMENDMENT TO THE COLLABORATIVE AGREEMENT
WITH PARATRANSIT, INC. FOR THE PROVISION OF ADA PARATRANSIT
SERVICE AND EXHIBIT A TO THE COLLABORATIVE AGREEMENT WITH
PARATRANSIT, INC. FOR THE PROVISION OF ADA PARATRANSIT SERVICES
FOR FISCAL YEAR 2013-2014 (FY14)**

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

WHEREAS, on December 13, 2012 the Parties entered into the Coallaborative Agreement for the Provision of ADA Paratransit Service (the "Agreement) and

WHEREAS, the Parties desire to modify the trip projection methodology in Section 5(A)(1)(b) of the Agreement;

THAT, the First Amendment to the Collaborative Agreement with Paratransit, Inc. for the Provision of ADA Paratransit Service is hereby approved; and

THAT, the Fiscal Year 2013-2014 Exhibit A to the Collaborative Agreement with Paratransit, Inc. for the Provision of ADA Complementary Paratransit Services whereby Paratransit, Inc. agrees to provide complementary paratransit service through June 30, 2014 for an amount not to exceed \$12,361,515, subject to the provisions of the Collaborative Agreement, is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute said Amendment and Exhibit A.

PATRICK HUME, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary

**EXHIBIT A
 BUDGETED SERVICE LEVELS AND PAYMENT RATES
 FISCAL YEAR 2013-14
 COLLABORATIVE AGREEMENT FOR PROVISION OF ADA COMPLEMENTARY
 PARATRANSIT SERVICE AND NON-ADA DEMAND RESPONSE SERVICE
 BETWEEN SACRAMENTO REGIONAL TRANSIT DISTRICT (RT) AND
 PARATRANSIT, INC. (Paratransit)**

1. Budgeted Costs, Funding Contributions and Service Levels for Fiscal Year 2013-14

A. The budgeted costs, funding sources, contribution amounts, and service levels for Type I Service for Fiscal Year (FY) 2013-14 are summarized in Table A-1

Table A-1
 Budget for FY 2013-14 ADA Complementary Paratransit Service

	FY 13-14
a. Total Operating Cost	\$13,570,999
b. Passenger Fare Revenue	\$1,221,484
c. RT Budget	\$12,349,515
d. Trips Provided (Core)	313,201
e. Trips Provided (Variable)	0
e. Cost Per Trip Provided (Core)	\$43.33
f. Cost Per Trip Provided (Variable)	\$35.22

B. The budgeted costs, funding sources, contribution amounts, and service levels for ADA Complementary Paratransit Service for FY 2013-14 are presented in greater detail in the attached FY 2013-14 Table A-2. RT agrees to pay Paratransit \$12,349,515 for 313,201 Core trips provided for FY 2013-14 (from July 1, 2013 through June 30 2014). In addition:

- 1) RT agrees to pay Paratransit \$35.22 for each Variable trip (or trip in excess of the 313,201 projected trips) in FY 2013-14 via the reconciliation process established in the Collaborative Agreement.
- 2) RT agrees to pay Paratransit \$12,000 for the transportation of ADA paratransit eligibility applicants for FY 2013-14.

2. Invoicing

- A. Paratransit's monthly invoice for FY 2013-14 shall include:
- 1) 1/12 of the annual amounts set out above for transportation of ADA service eligibility applicants; and
 - 2) The amount set out in Table A-2 for the applicable month.

3. Adjustment to Budgeted Funding Levels

The monthly payment amount, monthly number of ADA complementary paratransit trips, and the totals thereto may be adjusted by revising Exhibit A, which revisions must be signed by the parties to this Agreement in order to be effective. Each fiscal year during the term of this Agreement a subsequent Exhibit A will be prepared, each of which shall be labeled according to the applicable fiscal year (e.g., Fiscal Year 2014-15, 2015-16, etc.), and each of which must be signed by the parties to this Agreement in order to be effective. If Exhibit A is amended during a fiscal year, each such amendment shall be sequentially labeled and dated (e.g., Exhibit A, Fiscal Year 2013-14, Revision 1, Exhibit A Fiscal Year 2014-15, Revision 2, etc.), restated in its entirety, and each must be signed by the parties to this Agreement in order to be effective.

**Table A-2
FY2013-14**

Month	ADA Complementary Paratransit Service	ADA Complementary Paratransit Service Monthly Payment	% of Annual Budget	ADA Complementary Paratransit Service Passenger Fare Revenue	ADA Complementary Paratransit Service Funding	Transport of ADA Applicants Monthly Payment	Total Monthly Payment
Jul-13	26,236	\$1,037,799	8.4%	\$102,648	\$1,140,447	\$1,000	\$1,038,799
Aug-13	26,642	\$1,053,859	8.5%	\$104,237	\$1,158,096	\$1,000	\$1,054,859
Sep-13	25,847	\$1,022,412	8.3%	\$101,126	\$1,123,538	\$1,000	\$1,023,412
Oct-13	27,479	\$1,086,967	8.8%	\$107,511	\$1,194,478	\$1,000	\$1,087,967
Nov-13	24,258	\$959,557	7.8%	\$94,909	\$1,054,466	\$1,000	\$960,557
Dec-13	24,852	\$983,053	8.0%	\$97,233	\$1,080,286	\$1,000	\$984,053
Jan-14	25,267	\$999,469	8.1%	\$98,857	\$1,098,326	\$1,000	\$1,000,469
Feb-14	24,309	\$961,574	7.8%	\$95,109	\$1,056,683	\$1,000	\$962,574
Mar-14	26,829	\$1,061,256	8.6%	\$104,968	\$1,166,224	\$1,000	\$1,062,256
Apr-14	26,850	\$1,062,087	8.6%	\$105,050	\$1,167,137	\$1,000	\$1,063,087
May-14	27,363	\$1,082,379	8.8%	\$107,058	\$1,189,437	\$1,000	\$1,083,379
Jun-14	26,269	\$1,039,103	8.4%	\$102,778	\$1,141,881	\$1,000	\$1,040,103
Total	313,201	\$12,349,515	100.0%	\$1,221,484	\$13,570,999	\$12,000	\$12,361,515