

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
4	06/22/15	Open	Action	06/15/15

Subject: Whether to Approve the First Amendment to Exhibit A and Delegate Authority to the General Manager/CEO to Approve Future Amendments to Exhibit A of the Lease Agreement for Paratransit Buses with Paratransit, Inc.

ISSUE

Whether to approve the First Amendment to Exhibit A and delegate authority to the General Manager/CEO to approve future amendments to Exhibit A of the Lease Agreement for Paratransit Buses with Paratransit, Inc.

RECOMMENDED ACTION

Adopt Resolution No. 15-06-____, Approving the First Amendment to Exhibit A and Delegating Authority to the General Manager/CEO to Approve Future Amendments to Exhibit A of the Lease Agreement for Paratransit Buses with Paratransit, Inc.

FISCAL IMPACT

none

DISCUSSION

In 2011, RT approved an amended and restated lease agreement with Paratransit, Inc. whereby RT would purchase paratransit vehicles (small buses) and lease them to Paratransit, Inc. for use in demand-response service and for the term of the useful life of the vehicle. Through this agreement, RT maintains ownership of the equipment, which is then leased to Paratransit, Inc. at no cost for use in the provision of RT's Americans with Disabilities Act (ADA) complementary paratransit services and non-ADA Demand Response Service in accordance with the Collaborative Agreement with Paratransit, Inc. for provision of such services.

Under the Lease Agreement, RT and Paratransit, Inc. agree that at the end of the Federal Transit Administration (FTA) defined useful life of each bus (five years or 150,000 miles), title passes to Paratransit, Inc. from RT at no cost to Paratransit, Inc. The buses shall only be used for the provision of ADA complementary paratransit service and non-ADA demand-response service until such time as a replacement bus is delivered and added to Exhibit A of the Lease Agreement. When the vehicles are no longer required for demand-response service, RT agrees to allow Paratransit, Inc. to use the vehicles for other services coordinated by Paratransit, Inc. as the Consolidated Transportation Service Agency (CTSA) in the urbanized portion of Sacramento County.

This amendment removes 29 vehicles from the inventory in Exhibit A of the Lease Agreement. These vehicles have exceeded their useful life and are no longer RT property.

Approved:

Presented:

Final 06/16/15

General Manager/CEO

Director, Accessible Services & Customer Advocacy

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As the agreement already specifies that RT will purchase vehicles and equipment for Paratransit, Inc. to provide ADA complementary paratransit services and demand response services in accordance with the Collaborative Agreement, and that title of the vehicles will pass to Paratransit, Inc. at the end of the FTA defined useful life, this action would also provide authority to the General Manager/CEO to approve future amendments to Exhibit A of the Lease Agreement in order to add or remove vehicles as they are purchased or have ended their useful life.

Staff recommends that the Board approves these actions.

RESOLUTION NO. 15-06-_____

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

June 22, 2015

**APPROVING THE FIRST AMENDMENT TO EXHIBIT A AND DELEGATING
AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE FUTURE
AMENDMENTS TO EXHIBIT A OF THE LEASE AGREEMENT FOR PARATRANSIT
BUSES WITH PARATRANSIT, INC.**

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

THAT, Exhibit A to the Lease Agreement with Paratransit, Inc. is hereby amended to remove 29 vehicles from the inventory in Exhibit A of the Lease Agreement subject to the provisions of the Collaborative Agreement, is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute the First Amendment to Exhibit A of the Lease Agreement for Paratransit Buses with Paratransit, Inc.

THAT, that the Board hereby delegates authority to the General Manager/CEO to execute future amendments to Exhibit A of the Lease Agreement for Paratransit Buses with Paratransit, Inc.

JAY SCHENIRER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary