

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
7	10/26/15	Open	Action	10/19/15

Subject: Approving the Second Amendment to the Contract for Operational Assessment and Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc.

## ISSUE

Whether to approve the Second Amendment to the Contract for Operational Assessment and Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc.

## RECOMMENDED ACTION

Adopt Resolution No. 15-10\_\_\_, Approving the Second Amendment to the Contract for Operational Assessment and Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc.

## FISCAL IMPACT

Budgeted:	Yes	This FY:	\$65,514
Budget Source:	Operating	Next FY:	\$
Funding Source:	Local	Annualized:	\$
Cost Cntr/GL Acct(s) or	11/630003	Total Amount:	\$65,514
<b>Capital Project #:</b>			
Total Budget:	\$ 65,514		
Original Contract	\$ 95,810		
1 <sup>st</sup> Amendment	\$113,550		
<u>2<sup>nd</sup> Amendment</u>	<u>\$ 65,514</u>		
Total Contract	\$274,874		

## DISCUSSION

On July 27, 2015, the Board approved the First Amendment to the Contract for Operational Assessment and Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc. The purpose of the Contract is to identify ways to improve safety, maintenance, and service efforts while achieving cost savings and identifying ways to increase revenues. Mr. Carter is the key expert advisor working on the Contract. The Consultant has completed his initial work; has made several recommendations; and, while RT is making progress on implementing changes, RT seeks to have the Consultant provide additional services as follows:

---

Approved:

Presented:

Final 10/21/15

General Manager/CEO

Chief of Facilities and Business Support Services

J:\Board Meeting Documents\2015\18 October 26, 2015\2015031 DougCarter 2ndAmendment.doc

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
7	10/26/15	Open	Action	10/19/15

Subject: Approving the Second Amendment to the Contract for Operational Assessment and Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc.

- Diagnostic Review Modification – a couple of minor modifications are appropriate for the diagnostic review; and, work to evaluate feedback with RT staff, update policies and present recommendations to the RT Board will continue.
- Fare Structure and Pricing Analysis – will provide support and expert advice to RT staff regarding the analysis of alternative fare changes to meet goals and comply with fiscal responsibility policies.

Staff recommends that the Board approve the Second Amendment to the Contract for Operational Assessment and Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc.

RESOLUTION NO. 15-10-\_\_\_\_\_

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

October 26, 2015

**APPROVING THE SECOND AMENDMENT TO THE CONTRACT FOR  
OPERATIONAL ASSESSMENT AND RECOMMENDATIONS FOR COST  
REDUCTION AND REVENUE GROWTH SERVICES WITH DOUGLAS CARTER AND  
MBO PARTNERS, INC.**

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

THAT, the Second Amendment to the Agreement between the Sacramento Regional Transit District, therein referred to as "RT," and Douglas Carter therein referred to as "Consultant," and MBO Partners, Inc., therein referred to as "MBO," whereby the scope of services is expanded to include Diagnostic Review Modification and Fare Structure and Pricing Analysis, and the total consideration is increased by \$65,514 from \$209,360 to \$274,874 is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute Second Amendment.

\_\_\_\_\_  
JAY SCHENIRER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

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