

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	12/12/16	Open	Action	12/2/16

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

ISSUE

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

RECOMMENDED ACTION

Adopt Resolution No. 16-12-___, Approving the Fourth Amendment to the Contract for Operational Assessment and Implementation of Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	95,000
Budget Source:	Operating	Total Amount:	\$	95,000
Funding Source:	Operating			
Cost Cntr/GL Acct(s) or	CC17, GL #630003			
Capital Project #:				
Total Budget:	\$ 95,000			
Original Contract	\$ 95,810			
1st Amendment	\$113,550			
2nd Amendment	\$ 65,514			
3 rd Amendment	\$ 25,000			
4 th Amendment	\$ 95,000			
Total Contract	\$394,874			

DISCUSSION

On February 22, 2016, the Board approved the Third Amendment to the Contract for Operational Assessment and Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc. Under the Principal Agreement Mr. Carter identified ways to improve safety, maintenance and service efforts while achieving cost savings and identifying ways to increase revenues. The First and Second Amendments to the Agreement expanded the scope to include implementation support for targeted cost saving and revenue generating concepts and provide analysis of alternative fare changes. Pursuant to the Third Amendment

Approved:

Presented:

Final 12/7/16

General Manager/CEO

VP of Accountability & Performance

J:\Board Meeting Documents\2016\21 December 12, 2016\Approval of Fourth Amendment, Douglas Carter, MBO Partners, 12-12-16.doc

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	12/12/16	Open	Action	12/2/16

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

approved by the Board, Mr. Carter performed work pertaining to the Connect Card project for which RT received reimbursement from the Sacramento Area Council of Governments (SACOG).

While RT is making progress on implementing changes, RT seeks to have Mr. Carter provide additional services to realize the transition vision and goals developed by the Board. The work will proceed with four primary work areas in order to support enduring cultural change at RT and will be coordinated to maximize positive effect on that change. These work areas are listed as follows: Driver Attendance Improvement, Cost Containment, Labor Contract Strategy and Executive Counseling.

Mr. Carter’s services will allow RT to implement identified cost containment opportunities, therefore, staff recommends that the Board approve a Fourth Amendment to the Contract for Operational Assessment and Implementation of Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc.

RESOLUTION NO. 16-12-_____

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

December 12, 2016

**APPROVING THE FOURTH AMENDMENT TO THE CONTRACT FOR
OPERATIONAL ASSESSMENT AND IMPLEMENTATION OF 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 Fourth Amendment to the Contract 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 Consultant agrees to continue the work identified in the Fourth Amendment, and the total consideration is increased by \$95,000 from \$299,874 to \$394,874, is hereby approved.

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

JAY SCHENIRER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary