

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	11/13/17	Open	Action	11/07/17

Subject: Amended and Restated ADA Paratransit Service and Lease of Paratransit Buses Agreements with Paratransit, Inc.

ISSUE

Whether or not to approve and delegate authority to the General Manager/CEO to execute the Amended and Restated ADA Paratransit Service Agreement and the Amended and Restated Lease of Paratransit Buses Agreement with Paratransit, Inc.

RECOMMENDED ACTION

- A. Adopt Resolution No. 17-11-___, Approving the Amended and Restated ADA Paratransit Service Agreement with Paratransit, Inc. and Delegating Authority to Execute to the General Manager/CEO; and
- B. Adopt Resolution No. 17-11-___, Approving the Amended and Restated Lease of Paratransit Buses Agreement with Paratransit, Inc. and Delegating Authority to Execute to the General Manager/CEO.

FISCAL IMPACT

None.

DISCUSSION

SacRT has two agreements with Paratransit, Inc. for the provision of ADA paratransit service as part of SacRT's obligation under the Americans with Disabilities Act (ADA). Under the first Agreement, Paratransit, Inc. provides ADA complementary paratransit services for individuals with disabilities who are functionally unable for some or all of their trips to use SacRT's regular fixed route service ("ADA Paratransit Service Agreement"). A second Agreement leases SacRT's vehicles to Paratransit, Inc. for ADA paratransit services ("Lease of Paratransit Buses Agreement").

In June 2017, the SacRT Board delegated authority to the General Manager/CEO to negotiate and execute the ADA Paratransit Service Agreement and Lease of Paratransit Buses Agreement with Paratransit, Inc. The mutual goals were to improve cost effectiveness, maintain quality of the program, and to ensure compliance with ADA paratransit service regulations. The SacRT Board was provided with the basic terms that had tentatively been worked out between SacRT and Paratransit, Inc., including a new process for ensuring access to paratransit data, a two-year term with three one-year options to extend, and a provision for the disposition of SacRT buses provided under the Bus Lease Agreement once their useful life was met.

Approved:

Presented:

Final 11/08/17

General Manager/CEO

VP, Planning & Accountability

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SacRT and Paratransit, Inc. stepped up to reduce costs and maintain efficiencies while providing quality ADA complementary paratransit services in the Sacramento region and ensuring the wholeness of the system. Additionally, SacRT’s Mobility Advisory Council (MAC) has received periodic updates as well as information on Paratransit, Inc.’s plan to have the option of online booking. SacRT and Paratransit, Inc. will seek input from MAC on future endeavors concerning service delivery and other items in the interest of continuing to improve on both quality and efficiencies. The ADA Paratransit Service Agreement was executed on September 25, 2017, and the Lease of Paratransit Buses Agreement was executed on October 6, 2017.

Staff is now returning to the Board with changes to the ADA Paratransit Services Agreement and the Lease of Paratransit Buses Agreement that staff believe are necessary in the interest of regional mobility and containing ADA paratransit costs in the future. These changes, which are described below, will be incorporated in amended and restated agreements.

Proposed Changes to the ADA Paratransit Service Agreement

Currently, the term language in the ADA Paratransit Service Agreement requires SacRT provide written notice to Paratransit of its intent to exercise an option year at least six months prior to the end of the current term and then bring the negotiated terms for the option year(s) to the SacRT Board for approval. Without this written notice, the Agreement will terminate at the end of the current term. Under the proposed changes, the term language would require SacRT Board approval, at least six months prior to the end of the current term, to exercise an option year. As before, if this written notice is not provided to Paratransit, the Agreement would terminate at the end of the current term. At the same time the SacRT Board approves the exercise of an option year, the Board would also confer authority to the General Manager/CEO to: (1) negotiate payment and other terms and conditions for the option year(s) and (2) execute an amendment to the Agreement for the option year(s). This change will streamline the process for option years and allow the General Manager/CEO to quickly adapt to market conditions and budget constraints during negotiations. Option year negotiations must be completed, and an amendment to the Agreement executed, no later than two months prior to the end of the then-current term. However, if the Parties reach an impasse in negotiations, the Agreement would continue under the payment rate and terms of the Fiscal Year prior to the option year being negotiated. This arrangement would continue until such time as a new agreement is reached or either party elects to terminate the Agreement by providing six months’ notice to the other party.

Proposed Changes to the Lease of Paratransit Buses Agreement

The existing language in the lease agreement allows SacRT to request all buses provided to Paratransit, Inc. under the Agreement be returned to SacRT once they are no longer needed for ADA paratransit service. This language is different from previous lease agreements, where title to the buses was transferred to Paratransit, Inc. after their useful life and they were used in other community based service. The proposed changes would allow Paratransit, Inc. to keep the 11 CNG vehicles recently delivered and SacRT could only request that up to 25 percent of the remaining vehicles be returned to SacRT. This allows Paratransit, Inc. to better plan for its

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Consolidated Transportation Services Agency (CTSA) activities where the vehicles are used by various agencies that serve seniors and persons with disabilities, providing additional mobility to the region as well as reducing/containing demand on the ADA paratransit mandated service covered under the Paratransit Service Agreement. At the same time, the ability to retain 25 percent of former ADA paratransit buses allows SacRT flexibility to use or donate those vehicles to augment mobility in the region.

Also, term language in the Lease of Paratransit Buses Agreement will be simplified to tie it to the term of the ADA Paratransit Service Agreement, while preserving the ability to terminate the bus lease sooner for convenience or in the event of breach by Paratransit, Inc.

RESOLUTION NO. 17-11-_____

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

November 13, 2017

APPROVING THE AMENDED AND RESTATED ADA PARATRANSIT SERVICE AGREEMENT WITH PARATRANSIT, INC. AND DELEGATING AUTHORITY TO EXECUTE TO THE GENERAL MANAGER/CEO

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

THAT, the Board hereby approves the Amended and Restated ADA Paratransit Services Agreement with Paratransit, Inc., and

THAT, the Board hereby delegates authority to the General Manager/CEO to execute the Amended and Restated ADA Paratransit Service Agreement with Paratransit, Inc.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 17-11-_____

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

November 13, 2017

**APPROVING THE AMENDED AND RESTATED LEASE OF PARATRANSIT BUSES
AGREEMENT WITH PARATRANSIT, INC. AND DELEGATING AUTHORITY TO
EXECUTE TO THE GENERAL MANAGER/CEO**

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

THAT, the Board hereby approves the Amended and Restated Lease of Paratransit
Buses Agreement with Paratransit, Inc., and

THAT, the Board hereby delegates authority to the General Manager/CEO to
execute the Amended and Restated Lease of Paratransit Buses Agreement with
Paratransit, Inc.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary