

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	11/18/19	Open	Action	11/12/19

Subject: Delegating Authority to the General Manager/CEO to Expedite Contracting and Contract Amendments Related to the ADA Paratransit Service Transition

ISSUE

Whether to delegate authority to the General Manager/CEO to award and execute procurement Contracts (contracts, purchase orders, contract change orders, work orders, or amendments to the foregoing) related to the ADA Paratransit Service Transition.

RECOMMENDED ACTION

Adopt Resolution No. 19-11-____, Delegating Authority to the General Manager/CEO to Award and Execute Procurement Contracts Necessary to the Provision of ADA Complementary Paratransit Service by SacRT.

FISCAL IMPACT

The total fiscal impact associated with this action depends on many external factors and rather than estimate these factors no later than November 30, 2020, Staff will present an information item to the Board with a comprehensive list of all contracts executed or amended under this delegation.

DISCUSSION

At the September 23, 2019 Board of Directors meeting, the Board voted to terminate the existing ADA Paratransit Service Agreement with Paratransit so that SacRT can begin operating the ADA Paratransit service with its own forces effective on or around March 29, 2020. In order to meet that deadline, staff is expediting several procurements to ensure that appropriate contracts are in place to meet the service demand.

Due to the short five-month time frame to transition the service, waiting to seek Board approval to execute ADA Paratransit service-related procurement contracts could delay the transition. Therefore, Staff is asking for a standing delegation of authority to the General Manager/CEO to take procurement actions in excess of his current authority under the Procurement Ordinance.

Currently, the General Manager/CEO's procurement contract authority is as follows:

- (1) New contracts up to \$150,000;
- (2) Amendments to Board-approved contracts up to the lesser of \$150,000 or 15% of the initial contract price;
- (3) Amendments to General Manager-approved contracts up to an aggregate total of \$150,000;

Approved:

Presented:

Final 11/13/19

General Manager/CEO

AVP, Finance & Treasury

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(4) Contract Change Orders for public works – authority varies based on the original value of the Contract, but the aggregate limit for smaller public works projects is generally 10% of the original contract price and the individual limit is \$150,000 for a single Contract Change Order regardless of the original contract value.

When these limits are exceeded the Board is required to approve the contract and may, in addition, be required to make findings related to non-competitive procurement or a decision to amend a contract above the informal solicitation threshold.

There are numerous contracts or contract amendments that could exceed the General Manager/CEO’s authority or require sole source justification which could include, but are not limited to: uniforms, tire lease, parking lot repairs (Bus Maintenance Facility II), fencing (temporary or permanent), networking equipment, software configuration, training materials and services, marketing materials, and bus equipment including fareboxes, cameras, radios, exterior wraps and branding. Any individual contract, work order, or contract change order entered into under this authority may not exceed a total consideration of \$750,000.

To ensure transparency with the Board of Directors and the public, Staff will maintain a listing of all procurement contracts executed by the General Manager/CEO that would normally require Board approval. No later than November 30, 2020, Staff will bring an information item back to the Board with a list of all contracts executed under this delegation of authority.

RESOLUTION NO. 19-11-_____

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

November 18, 2019

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AWARD AND EXECUTE PROCUREMENT CONTRACTS NECESSARY TO THE PROVISION OF ADA COMPLEMENTARY PARATRANSIT SERVICE BY SACRT

WHEREAS, Section 1.503 of the Sacramento Regional Transit District (SacRT) Procurement Ordinance (No. 18-08-01) requires approval by the SacRT Board of Directors award of any new procurement contract or work order in excess of \$150,000; and

WHEREAS, Section 1.505 of the SacRT Procurement Ordinance requires approval by the SacRT Board of Directors for amendment to any Board-approved Contract when the amendment exceeds the lesser of \$150,000 or 15% of the initial Contract price; and

WHEREAS, Section 1.505 of the SacRT Procurement Ordinance requires approval by the SacRT Board of Directors of any amendment to a General Manager-approved Contract when the sum of the initial Contract value, all prior amendments, and the new amendment would increase the Contract value beyond \$150,000; and

WHEREAS, Section 1.506 of the SacRT Procurement Ordinance requires approval by the SacRT Board of Directors of certain contract change orders; and

WHEREAS, Section 1.405 of the SacRT Procurement Ordinance requires Board approval of non-competitive and sole source contracts above the specified thresholds; and

WHEREAS, Section 1.505 of the SacRT Procurement Ordinance requires specified findings by the Board of Directors if a Contract was initially awarded using an informal solicitation and amendments would exceed the threshold for formal solicitation; and

WHEREAS, on September 23, 2019, the SacRT Board of Directors approved termination of the existing ADA Paratransit Service Agreement with Paratransit, Inc. for complementary paratransit service and determined that SacRT will provide those services directly beginning April 1, 2020; and

WHEREAS, due to the need to expedite procurements for the transition of complementary paratransit service, it is impractical to delay the approval of such Contracts for Board approval; and

WHEREAS, the Board desires to delegate authority to the General Manager/CEO to award and execute contracts, sole source procurements, and contract change orders for procurements that are necessary for the provision of ADA complementary paratransit service by SacRT.

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

THAT, with respect to any provision of the SacRT Procurement Ordinance otherwise requiring approval by the Sacramento Regional Transit District Board of Directors, the Board hereby delegates such authority to the General Manager/CEO with respect to procurement contracts that are necessary for the provisions of ADA complementary paratransit service.

THAT, all procurement undertaken under this delegation must comply, in other respects, with the provisions of the SacRT Procurement Ordinance and with Federal and State contracting requirements, as applicable.

THAT, any individual contract, work order, or contract change order entered into under this authority may not exceed a total consideration of \$750,000.

THAT, this delegation of authority with expire, without further action by the Board, as of November 1, 2020.

THAT, not later than November 30, 2020, the General Manager/CEO must present an information item to the Board of Directors at a noticed public meeting identifying all contracts executed pursuant to this delegation of authority.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary