

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	10/07/19	Open	Action	09/30/19

Subject: Third Amendment to the Fiscal Year (FY) 2020 Capital Budget, Repealing Resolution No. 19-09-0105, and authorizing and directing the General Manager/CEO to provide “Notice of Termination for Convenience” to Paratransit, Inc. regarding the current “ADA Paratransit Service Agreement,” and to operate ADA paratransit service in-house effective on or about March 29, 2020.

ISSUE

Whether or not to approve the Third Amendment to the Fiscal Year (FY) 2020 Capital Budget and provide notice of termination for convenience to Paratransit, Inc. and operate the ADA paratransit service in-house effective on or about March 29, 2020.

RECOMMENDED ACTIONS

- A. Adopt Resolution 19-10-____, Approving the Third Amendment to the Fiscal Year 2020 Capital Budget; and
- B. Adopt Resolution No. 19-10-____, Repealing Resolution No. 19-09-0105, and Authorizing the General Manager/CEO to Provide “Notice of Termination for Convenience” to Paratransit, Inc. Regarding the Current “ADA Paratransit Service Agreement”, and Operate ADA Paratransit Service In House effective on or about March 29, 2020.

FISCAL IMPACT

Approval of this would increase the FY20 Capital Budget by \$2,074,986 for various capital projects as outlined in Exhibit A. This action simply approves the capital project budget. Funding for project T060 is secured by a Federal Transit Security Grant and project P011 is temporarily funded with FY20 anticipated operating surplus. See notes below.

DISCUSSION

SacRT’s annual budgeting process includes Board adoption of a budget that reflects SacRT’s expected funding and projects at the time of preparation. Periodically, changes to funding sources, funding amounts or District priorities require revisions to the budget. Staff has identified necessary revisions as described below:

- **Anti-Terrorism Directed Surge Patrols (T060)** – Add \$74,986 for a new grant-funded project in the capital budget. SacRT was awarded \$74,986 from the Federal 2019 Transit Security Grant Program for Anti-Terrorism Directed Surge Patrols (Overtime Patrols). There is no local match requirement, so the available grant funding will fully fund the project.
- **Paratransit Service Start-Up Costs (P011)** – Add \$2,000,000 in budget authority. The amount is an estimate based on an operational needs assessment. If after implementation,

Approved:

Presented:

Final 10/02/19

General Manager/CEO

VP, Finance/CFO

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the costs come in less, the budget will be reduced. On September 23, 2019, the SacRT Board of Directors approved the termination of the contract with Paratransit Inc. (PI) to provide SacRT’s mandatory paratransit/ADA service. SacRT has made the decision to bring that service in house, which means that SacRT will incur start up costs, estimated at \$2 million, to perform the following tasks (list is not exhaustive): Procure dispatching software system, IT systems configuration and integration, fencing, facility procurement, lot repairs, communications systems, bus modifications, and other tasks as deemed necessary by Staff.

ADA Paratransit Service Transition Date – The Board authorized the General Manager/CEO to terminate the ADA paratransit service Agreement with Paratransit, Inc. and operate ADA paratransit service in-house, effective April 1, 2020 at the September 23, 2019 meeting. In subsequent discussions between SacRT and Paratransit, Inc. the parties agreed that it would be in our customer’s best interest to transition service on a weekend, rather than in the middle of the week. Transitioning ADA paratransit service on or about March 29th, instead of April 1st, allows more flexibility in not starting out on what is historically the highest ridership/administrative call day of the month, along with allowing both agencies more use of the hours Friday evening and Saturday to work on the transition of assets making the transition smooth and being less impactful on our ADA paratransit clients.

FY 2020 Capital Budget Summary

Action	Total FY20 Budget Request	Amendment Amount	Detail
Adopted FY 2020 Capital Budget – June 10	\$231,386,630		
Amendment 1 – August 26	\$233,437,085	\$2,050,455	Added \$1.4 million for critical maintenance and state of good repair projects (\$0.5 million of which may be reimbursed by insurance proceeds), \$0.4 million in budget authority for bus stop enhancements that may be eligible for new revenue streams, and \$0.2 million in budget authority for potential real estate development projects.
Amendment 2 – September 23	\$236,806,661	\$3,369,576	Increase budget for Maintenance Services for the UTDC Light Rail Vehicle Fleet (one six-month contract plus five six-month options).
Amendment 3 – October 7	\$238,881,647	\$2,074,986	See above and Exhibit A for details.

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Staff hereby recommends that the Board approve the Third Amendment to the FY20 Capital Budget, making the changes described above and in Exhibit A, repealing Resolution No. 19-09-0105, and authorizing and directing the General Manager/CEO to provide "Notice of Termination for Convenience" to Paratransit, Inc. regarding the current "ADA Paratransit Service Agreement," and to operate ADA paratransit service in-house effective on or about March 29, 2020.

RESOLUTION NO. 19-10-_____

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

October 7, 2019

**APPROVING THE THIRD AMENDMENT TO THE FISCAL YEAR 2020 CAPITAL
BUDGET**

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

THAT, the Board approves the Third Amendment to the Fiscal Year 2020 Capital Budget, as set out in Exhibit A.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

Exhibit A: Summary of Amendment 3 changes to FY20 Capital Budget

ID	Project Name	FY20 Budget Through Amend 2	FY20 Budget - with Amend 3	FY20 Capital Budget Change				Fund Source
				FY20 Capital Budget Change	Federal	State	Local	
Increased FY20 Budget Request								
T060	Anti-Terrorism Directed Surge Patrols	0	74,986	74,986	74,986			FY19 Homeland Security Federal Emergency Management Agency (FEMA) Transit Security Grant Program (TSGP)
P011	Paratransit Service Start-Up Costs	0	2,000,000	2,000,000			2,000,000	SacRT will utilize current year operating surplus to fund the project with the expectation that the 4.5% TDA allocation currently going to PI will be redirected to SacRT.
		\$ -	\$ 2,074,986	\$ 2,074,986	\$ 74,986	\$ -	\$ -	\$ 2,000,000

RESOLUTION NO. 19-10-_____

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

October 7, 2019

REPEALING RESOLUTION NO. 19-09-0105, AND AUTHORIZING THE GENERAL MANAGER/CEO TO PROVIDE “NOTICE OF TERMINATION FOR CONVENIENCE” TO PARATRANSIT, INC. REGARDING THE CURRENT “ADA PARATRANSIT SERVICE AGREEMENT”, AND OPERATE ADA PARATRANSIT SERVICE IN HOUSE EFFECTIVE ON OR ABOUT MARCH 29, 2020

WHEREAS, the Board authorized the General Manager to terminate the contract for ADA Paratransit Services with Paratransit Inc. (PI), at its September 23, 2019 Board meeting, with a date certain effective date of April 1, 2020; and

WHEREAS, after preliminary transition discussions, SacRT and PI staff determined that transitioning service on a weekday could negatively impact SacRT’s ADA eligible customers; and

WHEREAS, SacRT and PI staff determined that transitioning ADA paratransit service the weekend before April 1, 2020 would be most beneficial to SacRT’s ADA eligible customers.

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

THAT, Resolution No. 19-09-0105 is hereby repealed.

THAT, The Board hereby authorizes and directs the General Manager/CEO to provide “Notice of Termination for Convenience” to Paratransit, Inc. regarding the current “ADA Paratransit Service Agreement,” and to operate ADA paratransit service in-house effective on or about March 29, 2020.

THAT, the General Manager/CEO is hereby authorized to execute any agreements, forms, applications or other required documents necessary to effectuate the termination contemplated herein.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary