



STAFF REPORT

DATE: January 13, 2020

TO: Sacramento Regional Transit Board of Directors

FROM: Laura Ham, VP, Planning and Engineering

SUBJ: REPEALING RESOLUTION NO. 19-10-0112 AND MODIFYING THE TERMINATION EFFECTIVE DATE OF THE ADA PARATRANSIT SERVICE AGREEMENT WITH PARATRANSIT, INC TO ON OR ABOUT JUNE 30, 2020.

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Delaying the transition date from March 29, 2020 to on or about June 30, 2020 will ensure that SacRT has access to local funding that is critical to providing ADA and non-ADA service, on day one of service and will provide sufficient time for SacRT and Paratransit, Inc. (PI) to finalize any necessary agreement(s) to memorialize the agreement between the parties as described in this staff report.

FISCAL IMPACT

SacRT's Fiscal Year 2019-2020 (FY20) operating budget assumed a net annualized payment to Paratransit, Inc. (PI) of \$11.2M, which is a monthly payment of approximately \$933,000. As SacRT is not under a new agreement, our actual monthly costs are the same as the prior year, which are \$400,000 higher than the budget. While there will be a minimal fiscal impact of less than .2%, the variance in annual cost will be off-set through current fiscal year operational savings.

DISCUSSION

Since the action by the Board of Directors to terminate the agreement with Paratransit, Inc. (PI) on or about March 29, 2020 (Resolution No. 19-10-0112), the parties have continued to negotiate regarding various terms, such as future funding and the allocation of resources related to the provision of paratransit service. The parties recently engaged in productive discussions to resolve various outstanding issues in the best interest of Sacramento County residents and, specifically, the current and future riders affected by these changes. SacRT and Paratransit, Inc. have agreed in principle on a number of terms as described below.

1. Financial Resources – SacRT and PI have agreed to split the taxpayer dollars (Transportation Development Act (TDA) Article 4.5 funds and Measure A funds) currently claimed by PI for the provision of ADA demand response service, non-

ADA demand response service, and other services. These two funding streams provided approximately \$8.6M in Fiscal Year 2019-2020. In Fiscal Year 2020-2021 and future years, 70% will be claimed by SacRT and 30% by PI to continue existing programs. The parties are coordinating with the Sacramento Area Council of Governments and the Sacramento Transportation Authority that are responsible for the allocation of TDA Article 4.5 and Measure A funds respectively.

2. Programs – As the primary operator of public transit in the region with fixed route bus, light rail and microtransit services currently available to the community, SacRT will operate federally-mandated ADA paratransit services, as well as non-ADA demand response service. PI will retain other core business lines, including travel training, partner agency coordination, and other lifeline services. In the future, SacRT and PI have agreed to evaluate contracting opportunities for travel training and other services.
3. Transition Date – The transition will be delayed three months, to the end of June 2020, to better align with the fiscal year and available funding.
4. Resource Allocation – To improve service efficiencies, the parties will consider a joint use agreement and reimbursement for associated costs for SacRT's use of portions of the PI facility on Florin Road for parking, maintenance, and fueling. An agreement will also be considered for PI's continued use of the SacRT Florin Light Rail Station for PI driver training.

Staff recommends approval of the attached resolution which modifies the termination date of the agreement with PI for the provision of ADA paratransit services to on or about June 30, 2020, and directs the General Manager/CEO to negotiate additional agreements with PI regarding the allocation of resources and other services. Those agreements will be brought to the Board for approval to the extent the terms exceed the General Manager/CEO's contracting authority.

RESOLUTION NO. 20-01-0004

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

January 13, 2020

REPEALING RESOLUTION NO. 19-10-0112 AND MODIFYING THE TERMINATION EFFECTIVE DATE OF THE ADA PARATRANSIT SERVICE AGREEMENT WITH PARATRANSIT, INC TO ON OR ABOUT JUNE 30, 2020.

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

THAT, Resolution No. 19-10-0112 is hereby repealed; and

THAT, the Board hereby authorizes and directs the General Manager/CEO to provide "Notice of Termination for Convenience" to Paratransit Inc., rescinding the termination date of the current "ADA Paratransit Service Agreement," from on or about March 29, 2020 and revising the termination date to on or about June 30, 2020 and to operate ADA paratransit service in-house effective on or about June 30, 2020; and

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