

STAFF REPORT

DATE: November 18, 2024
TO: Sacramento Regional Transit Board of Directors
FROM: Laura Ham, VP, Planning, Grants and Procurement
SUBJ: APPROVING A SOLE SOURCE PROCUREMENT AND CONTRACT FOR SACRAMENTO REGIONAL TRANSIT DISTRICT DEMAND-RESPONSE TRANSIT-AS-A SERVICE WITH NOMAD TRANSIT, LLC AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE CONTRACT AMENDMENTS

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

The attached Resolution would approve a contract with Nomad Transit, LLC, a wholly-owned subsidiary of Via Transportation, Inc. (Via), which would implement the planned new SacRT Flex microtransit service and would also delegate authority to the General Manager/CEO to approve amendments to the contract to increase service levels.

FISCAL IMPACT

The recommended action would approve spending a total of \$2,608,074, including \$1,200,000 of grant funds from the Sacramento Transportation Authority (STA) Neighborhood Shuttle program, an estimated \$370,000 of fare revenue, and an estimated \$1,038,074 of other state and local funds. The cost of this program will be covered by the approved FY 24/25 Operating Budget. The FY 25/26 Operating Budget will include the costs for that Fiscal Year. The General Manager/CEO's exercise of the delegated authority to execute amendments (up to \$530,000 per year or \$800,000 in aggregate over the entire contract term) would be dependent upon the availability of funding within the existing Operating Budget. If any proposed amendment to the Contract would exceed the approved Operating Budget, a budget amendment will be brought to the Board for approval prior to execution of the amendment.

DISCUSSION

At the September 23, 2024, Board meeting, Staff presented a report about discontinuation of SmaRT Ride microtransit service and planned replacement with a rideshare voucher program, effective January 1, 2025, largely to address a requirement under Senate Bill 125 that SacRT take significant steps to reduce operating costs. Based on comments

from the public and Board feedback, Staff reported to the Board on October 14, 2024, that work on the proposed rideshare voucher program had been discontinued and that Staff had developed a new proposal to replace SmaRT Ride with a lower-cost microtransit service modeled after the Via microtransit service currently in place in West Sacramento. The proposed new service has been named and branded by Staff as SacRT Flex.

Under the new proposal, operation of SacRT Flex would be contracted out to Nomad Transit, LLC, a transportation networking company authorized to operate in California under the trade name Via. The change to contracted operations, coupled with a smaller fleet running fewer daily operator shifts and hours, would achieve many of the same cost savings and improvements to cost effectiveness as the originally-proposed voucher program, but would retain key features of SmaRT Ride (e.g., wheelchair and service animal accessibility). The attached resolution would approve a contract with Via to implement SacRT Flex.

Financial Background

SmaRT Ride was implemented as a pilot program in 2018, with a one-time lump sum of \$14 million from Measure A's Neighborhood Shuttle Program. Unfortunately, annual allocations from the Neighborhood Shuttle program today are only \$800,000, compared to annual operating costs of \$8.5 million (plus \$1.8 million of amortized capital costs) for SmaRT Ride. SmaRT Ride's operating cost per passenger is over \$47, almost five times more than SacRT's fixed-route bus system.

Senate Bill 125 requires SacRT to take significant steps to reduce costs. As described in the September 23, 2024 Staff Report, replacement of SmaRT Ride with the proposed voucher program would have reduced annual costs from \$8.5 million to \$800,000, a savings of \$7.8 million. The voucher program would have been fully-funded by the \$800,000 per year of STA funds.

Concerns about the voucher program were raised, however, including limited availability of wheelchair accessible vehicles (WAVs), unequal access for persons with service animals, and high out-of-pocket costs for customers, who would have paid an estimated average of \$8.00 per ride on Uber, even after a \$5.00 voucher from SacRT.

Based on those concerns, the current proposal for SacRT Flex was developed and presented to the SacRT Board on October 14, 2024. SacRT Flex has an estimated annual cost of \$1.5 million, still achieving a considerable annual savings of \$7 million, while providing superior accessibility and affordability and similarly achieving a significant improvement in cost-effectiveness, reducing SacRT's cost per passenger from \$47 to \$16.

SacRT Flex

Like SmaRT Ride, SacRT Flex would be a demand-response microtransit service, with rides requested by customers through an app or by telephone, and vehicle location available to customers in real-time. SacRT Flex would operate in the existing nine SmaRT Ride zones and would be available the same days and hours (Monday to Friday,

excluding holidays, from 7:00 am to 7:00 pm), using WAVs. The fare would be \$2.50 per trip for all eligible riders.

Timeline - A soft launch is planned for SacRT Flex on Tuesday, December 17, 2024. SmaRT Ride would continue to run in parallel until its last day on Tuesday, December 31, 2024. Full launch of SacRT Flex would be on Thursday, January 2, 2025, with service continuing for an 18-month pilot project, ending on June 30, 2026. This would coincide with the availability of STA Measure A Neighborhood Shuttle Program Cycle 2 funding, as discussed below.

Service Levels – Although the hours of service would remain the same (i.e., Monday to Friday from 7:00 a.m. to 7:00 p.m.) to achieve the necessary cost reduction goal, SacRT Flex would have fewer total vehicles in service. Daily vehicle hours would decrease from 196 to 108. Ridership per vehicle hour is expected to remain approximately unchanged at 3.6, essentially at capacity. Daily ridership is therefore expected to decrease proportionately, by approximately 45 percent (i.e., from 700 to 390 per day).

Limited Eligibility – With the reductions in daily capacity, to help ensure availability of the service to more vulnerable transit populations, use of SacRT Flex would be limited to seniors (age 62 and older), persons with disabilities, and low-income persons. Customers would be required to apply and register in advance online and provide evidence of eligibility. Staff is currently developing an application and registration web page.

Persons With Disabilities – Persons with disabilities would be able to qualify for SacRT Flex through either of two existing processes. First, anyone who is certified to ride SacRT GO complementary ADA paratransit would be qualified to ride SacRT Flex, simply by indicating in their SacRT Flex application that they are a SacRT GO rider, subject to verification by SacRT.

Second, anyone with a valid SacRT Disabled ID would also be qualified to ride SacRT Flex. SacRT Disabled IDs are available for recipients of Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), individuals with a valid Department of Motor Vehicles disabled placard, or by meeting one of several other criteria. A Disabled ID can be obtained by completing a brief application (available online), visiting SacRT's Customer Service Center (at 1225 R Street) for a photograph, and paying a \$5.00 one-time fee for the card to be printed.

Low-Income - To qualify as low-income, customers would have to submit a documentation of one of the following valid Benefits Letter from:

- CalFresh (i.e., Supplemental Nutrition Assistance Program)
- CalWorks (i.e., Temporary Aid for Needy Families)
- Medi-Cal (i.e., Medicaid)

Recipients of general assistance would also be eligible to ride by submitting a photo of a valid Department of Human Assistance (DHA) transit pass and sticker.

Youth - Teens aged 13 to 17 would be allowed to have accounts, book their own trips, and ride alone at the regular fare if they have a parent or guardian registered under the low-income criteria. Youth aged 17 and younger would also be allowed to ride for free when accompanying an adult parent or guardian (including parents/guardians who are qualified under criteria other than low-income).

Expiration - Initially, persons qualifying for SacRT Flex based on disability or low-income would be qualified and registered for the entire 18-month period of the pilot project; however, SacRT would reserve the right to introduce expiration dates.

Enrollment – Staff plans to open the application process on or around Monday, December 2, 2024, and to encourage customers to apply and register as early as possible, to avoid a rush around the holidays. There are currently approximately 3,300 active Smart Ride users. Approximately half are believed to be senior, disabled, or low-income, based on passenger surveys. About 3.5 percent are known to also be active SacRT GO customers.

Fare – The fare for SacRT Flex would be a flat, fixed \$2.50 per trip. This would price SacRT Flex lower than SacRT GO paratransit (\$5.00) but higher than fixed-route transit (\$1.25 at the senior/disabled discount price). The higher fare is a best practice based on the premium nature of the service and limited availability.

**SacRT Flex
Fare Structure**

	Existing (Smart Ride)	Proposed (SacRT Flex)
Disabled with valid SacRT photo ID	\$1.25 per person	\$2.50 per trip
Senior with proof of age	\$1.25 per person	
Student Fare RydeFreeRT	Free Unlimited free rides	
DHA Pass Dept. of Human Assistance general assistance recipients	Free Unlimited free rides	
Low-Income Fare CalFresh/SNAP, CalWorks/TANF, Medi-Cal recipients	n/a Does not currently exist	
Companions	Special Group Fare Groups of 5 or more persons riding together pay no fare	One Paid Companion One companion allowed per paying customer, regardless of eligibility, but additional fare required Kids Ride Free w/ Parents Kids aged 17 and under ride free when accompanying an adult

Daily, monthly, and other multi-ride passes would not be accepted on SacRT Flex. This is also a best practice for microtransit, because microtransit costs tend to scale with ridership.¹ This will also help conserve capacity, i.e., assure the limited amount of service is not monopolized by a small fraction of “superusers.”

Fleet – The fleet would be leased and maintained by Via. Nine vehicles would be required for daily service. Including two spares, the fleet would total 11 passenger vans, and would consist of fully-accessible, gas-fueled passenger vans, each able to seat three passengers plus one wheelchair, loaded via a rear-entry ramp. All seats would be equipped with seatbelts. Parents bringing small children would be required to self-secure car seats and their children. Via is currently working with Staff to develop a logo, branding, and vehicle wraps.

Booking – Currently, SmaRT Ride trips are booked strictly on an on-demand basis. Advanced reservations have been a common request from customers. Initially, SacRT Flex would be limited to advanced reservations only (i.e., 1-2 days before). Once the service is established, same-day and on-demand rides could potentially be allowed, if capacity permits.

During public meetings about SacRT Flex, many customers expressed a desire for same-day and on-demand rides, because it gives them greater independence; however, Staff and Via are both concerned that there may not be sufficient availability to allow same-day rides, due to the significant reduction in vehicles and driver hours.

Companions – One adult companion would be allowed to ride with each paying customer, regardless of eligibility, as long as the first customer is eligible; however, a second fare would be required for the companion. To conserve space (i.e., because each van would have only three seats) groups of three or more adults would not be allowed to book together. Parents traveling with children could bring children up to the capacity of the vehicle (e.g., two parents and one child, one parent and two children). Children aged 17 or younger accompanying an adult would ride for free.

Service Animals – There would be no charge for service animals; however, service animals would count toward one seat, to assure reasonable comfort for both the service animal and other customers.

Yard Space – SacRT is working with Via to provide space for parking, under a small separate agreement. Via requires one or more access-controlled parking lots, but no other fixtures or equipment. Drivers would take restroom breaks at publicly-available

¹ On fixed-route, with 40-foot buses or light rail vehicles, there is typically additional capacity, so additional riders do not affect operating cost. But on demand-response service (i.e., microtransit or paratransit) which tends to run at capacity (e.g., 3 to 4 boardings per hour, per vehicle) as ridership demand grows, additional vehicle hours must be added to maintain the same availability and response times, incrementing cost.

locations along their daily routes. Assuming SacRT can secure acceptable space, Via will waive what would be \$57,050 in fees for parking costs.

Changes

As a pilot program, the fare structure, eligibility rules, ability to book on-demand, and similar parameters would all be subject to change. This would allow SacRT to try out innovative new policies, for example:

- Reintroduce same-day reservations, if capacity permits. *Rationale: Customers appreciate the independence of same-day reservations.*
- Charge a premium fare (e.g., \$5.00 or more) for on-demand trips. *Rationale: On-demand service is personalized and convenient, comparable to Uber or Lyft, where a similar trip would cost closer to \$13.*
- Allow the general public to ride, but only at a premium fare, only on an on-demand basis, when capacity permits, and only if they have already purchased a \$100 monthly pass for fixed-route. *Rationale: Customers who have paid for a fixed-route monthly pass are more likely to use SacRT Flex to feed fixed-route transit.*

Contract Budget

The proposed contract, including startup costs and soft launch in December, would have a not-to-exceed amount of \$2,608,074. Assuming SacRT is able to provide satisfactory parking space for Via, a total of \$57,050 would be refunded, bringing the net cost to \$2,551,024. On-going costs would be approximately \$1.5 million per year. The hourly rate of \$56.20 has been escalated by 3.0 percent to \$57.89 for months 13 to 18 of the full service.

Option Years - SacRT would also be entitled to three additional 1-year terms at the initial rate, plus 3.0 percent annual escalation.

Service Increases – If SacRT desires to increase service levels (e.g., the number of vans and driver hours) a contract amendment would be required, but the existing rates (both the start-up cost for equipping a vehicle and the hourly service rate) would remain in effect. To provide flexibility, the Resolution would also authorize the General Manager/CEO to negotiate and execute up to three amendments to the Contract for the purpose of increasing service levels so long as the amendments, in the aggregate, do not increase the annual cost by more than \$530,000 or increase the total contract not-to-exceed amount by no more than \$800,000, subject to the availability of funding within the approved Operating Budget.

Ridership and Cost Impacts

Compared to SmarT Ride, SacRT Flex would reduce service levels by approximately 45 percent, from 196 to 108 revenue vehicle hours per day. Productivity is expected to

Page 6 of 13

remain approximately the same, at 3.6 boardings per revenue hour (essentially at capacity). Ridership would therefore decrease proportionately, from 707 to 389 boardings per day.

Operating cost per hour would decrease almost 70 percent, from \$170 to \$56. This would improve cost per passenger from \$47 to \$16.

The average fare per passenger would increase from \$1.05 to \$2.50, by eliminating passes and increasing the single fare. This would improve farebox recovery ratio from 2 percent to 16 percent.

Gross annual operating cost would decrease more than 80 percent, from approximately \$8.5 million to approximately \$1.5 million, because of the reduction in both revenue vehicle hours and hourly rate. Assuming approximately \$0.25 million per year in fare revenue, local share from other SacRT funds would decrease from \$7.5 million (88 percent) to a more sustainable \$510,000 per year. Staff is pursuing other state and local grants to fund the full cost of the program.

**SacRT Flex
Via Contract Budget**

December 1, 2024 to June 30, 2026
Plus December 2024 Startup and Soft Launch

	<u>Startup</u>	<u>Soft Launch</u>	<u>Months 1-12</u>	<u>Months 13-18</u>	<u>Total NTE</u>
Period begins	12/1/24	12/17/24	1/1/25	1/1/26	12/1/24
Period ends	12/31/24	12/31/24	12/31/25	6/30/26	6/30/26
Billed in	Advance	Arrears	Arrears	Arrears	Arrears
Vehicle hours per day	-	50	108	108	-
Operating days	-	10	254	127	391
Vehicle hours	-	500	27,432	13,716	41,648
Hourly rate	-	\$56.20	\$56.20	\$57.89	\$56.76
<u>On-Going Costs</u>					
Service costs	-	\$28,100	\$1,541,678	\$794,019	\$2,363,797
Parking fee (Qty=11)	-	\$350	\$37,800	\$18,900	\$57,050
Dashcam software fee	-	\$440	\$5,280	\$2,640	\$8,360
Regulatory fees	-	\$97	\$14,000	\$7,000	\$21,097
Sales discount: Dashcam fee	-	\$0	-\$960	-\$480	-\$1,440
Gross on-going costs	\$0	\$28,987	\$1,597,798	\$822,079	\$2,448,864
<u>Up-Front Costs</u>					
WAV retrofits (11 @ \$15k)	\$165,000	-	-	-	\$165,000
Vehicle wraps (11 @ \$2,500)	\$27,500	-	-	-	\$27,500
Dashcams (11 @ \$190)	\$2,090	-	-	-	\$2,090
Sales discount: Dashcams	-\$380	-	-	-	-\$380
Sales discount: Wraps	-\$5,000	-	-	-	-\$5,000
Allowance: Unplanned idle time	\$0	-	-\$20,000	-\$10,000	-\$30,000
Gross up-front costs	\$189,210	\$0	-\$20,000	-\$10,000	\$159,210
Total Not-to-Exceed	\$189,210	\$28,987	\$1,577,798	\$812,079	\$2,608,074
Parking fee refund	-	-\$350	-\$37,800	-\$18,900	-\$57,050
Fares retained by Nomad	TBD	TBD	TBD	TBD	TBD
Net budget	\$189,210	\$28,637	\$1,539,998	\$793,179	\$2,551,024

SacRT Flex Fiscal Analysis

January 1, 2025 to December 31, 2025

	<u>Existing SmaRT Ride</u>	<u>SacRT Flex Months 1-12</u>
Vehicle hours per day	196	108
Operating days per standard year	254	254
Vehicle hours per year	49,860	27,432
Hourly rate	\$170	\$56
Annual service costs	\$8,465,763	\$1,541,678
Recurring fees	\$0	\$18,320
Less: Unbilled idle time	\$0	-\$20,000
Annual cost	\$8,465,763	\$1,539,998
Boardings per revenue hour	3.6	3.6
Boardings per day	707	389
Boardings per year	179,578	98,800
Cost per passenger	\$47	\$16
Average fare per boarding	\$1.05	\$2.50
Fare revenue	\$188,557	\$247,000
STA Neighborhood Shuttle	\$800,000	\$800,000
Other SacRT funds	\$7,477,206	\$492,998
Total revenues	\$8,465,763	\$1,539,998
Farebox recovery	2%	16%

Grant Funding

On Thursday, November 14, 2024, the STA Board of Directors approved an application from SacRT to amend SacRT's existing grant agreement with STA for Neighborhood Shuttle Cycle 2 funds, to reflect the change in scope from SmaRT Ride to SacRT Flex. The attached resolution has been worded to reflect that approval of the contract with Nomad Transit, LLC is contingent upon execution of this grant amendment with STA.

Sole Source

The attached Resolution includes a sole source justification, authorizing the Board to forego a traditional competitive solicitation for this contract. SacRT has already taken action to discontinue SmaRT Ride on December 31, 2024, to achieve urgently needed budget savings, as required by SB 125. To avoid an interruption in service to existing SmaRT Ride customers, a new vendor for the proposed SacRT Flex service must be secured expeditiously. Via has demonstrated its qualifications to operate service of this nature, both through numerous implementations through the country, as well as locally, in West Sacramento. In preparing for and negotiating the proposed SacRT Flex contract, Via has been responsive and performed considerable advance work in good faith, without a contract.

Equity

Changes to demand-response service and fares do not require a formal service equity analysis or fare equity analysis; however, Title VI of the Civil Rights Act of 1964 does include broad prohibitions on discrimination.

Approximately 26 percent of existing SmaRT Ride customers are low-income,² compared to just 20 percent for the general population.³ Expenditure of transportation funds (e.g., from STA's Neighborhood Shuttle program) on SmaRT Ride or SacRT Flex is therefore presumed to be beneficial to low-income communities, in general.

SmaRT Ride users are, however, less likely to be low-income than fixed-route transit customers, who are 53 percent low-income. The reduction in service levels from SmaRT Ride to SacRT Flex is therefore presumably less harmful to low-income populations than reductions to fixed-route service. Given SacRT's requirement under SB 125 to take significant steps to reduce expenditures, the change from SmaRT Ride to SacRT Flex would appear to be an effective way to minimize the impact of budget reductions on low-income communities.

² Source: Survey data collected for *A Glimpse of Microtransit at an Early Stage: The SmaRT Ride Consumer Market in the Sacramento Area*. Xing, Yan. University of California, Davis (2022). Additional analysis by SacRT (unpublished). Low-income was considered household income under \$25,000 for the purposes of this survey.

³ Source: SacRT's Draft Title VI Program Update (2023), Appendix G, Page 86. Available online at: https://www.sacrt.com/apps/wp-content/uploads/Title-VI-Draft-Document_for-Web.pdf

Eligibility - SacRT Flex would take the additional step of restricting use of the service to vulnerable populations, specifically, seniors, persons with disabilities, and low-income persons. Seniors and persons with disabilities are not necessarily minority or low-income, but by definition, inclusion of low-income persons as eligible riders and exclusion of the general population would appear to be a clear and direct way to assure that the remaining benefits of a reduced-cost program are reserved for a more disadvantaged population.

Fare Change – Currently, under the Board-adopted Fare Structure, the same fares and pass types apply to both fixed-route and demand-response service (other than SacRT GO, which has a separate fare structure). Staff is proposing that SacRT Flex have a higher fare of \$2.50 without any discounts or unlimited ride passes. Fare increases are impactful to customers, particularly low-income populations; however, Staff believes this change is justified. First, unlimited ride passes allow a small subset of customers to monopolize the service, which is already limited in supply, and which will be even more limited under SacRT Flex. Second, by raising the cash fare to \$2.50 for everyone, there will be more incentive for persons to use fixed-route when they can (i.e., to ride at the \$1.25 senior/disabled price or with an unlimited ride pass) which will help conserve capacity on SacRT Flex. Making this change will require an amendment to the Fare Structure to specify that the fares and passes valid on fixed-route service will not be applicable to the SacRT Flex service. The proposed fare change will be brought to the Board for approval at the December 9th Board meeting.

Public Engagement

Although there are no public engagement requirements under Title VI, Section 5307 of the federal transportation statutes requires SacRT to solicit and consider public comment before raising a fare or implementing a major reduction in public transportation service.

Accordingly, SacRT has made numerous announcements and presentations on SmaRT Ride's elimination, the originally proposed voucher program, and the new SacRT Flex program, and has sought input from the public. These efforts, which are itemized below, include a press release and web page, presentations to SacRT's Mobility Advisory Council and Board of Directors, two webinars for the general public, e-mail bulletins, printed newsletters, brochures, posters on buses, handouts given out by drivers, social media, notices in the SmaRT Ride app, etc.

The October 10, 2024 webinar notably had almost 100 attendees and over 50 questions fielded by staff. The November 6, 2024 webinar also had over 30 attendees and over 25 questions fielded. Reception was generally favorable at both events, both about the SacRT Flex program and Staff's responsiveness and transparency.

Going forward, public engagement efforts will continue, with a focus on spreading the word to existing SmaRT Ride customers that the service will end on December 31, 2024, and that they need to begin registering for SacRT Flex.

**SacRT Flex
Public Engagement Summary**

<u>Presentation</u>	<u>Date</u>
SacRT Mobility Advisory Council	Thursday, September 19, 2024
SacRT Board of Directors	Monday, September 23, 2024
Next Stop News	Monday, September 30, 2024
Mailing List Announcement	Thursday, October 3, 2024
Online Chat with the General Manager	Friday, October 4, 2024
Webinar Presentation	Thursday, October 10, 2024
SACOG Transit Coordinating Committee	Wednesday, October 16, 2024
SacRT Mobility Advisory Council	Thursday, October 17, 2024
SacRT Board of Directors	Monday, October 21, 2024
Mailing List Announcement	Thursday, October 24, 2024
Online Chat with the General Manager	Friday, November 1, 2024
Webinar Presentation	Wednesday, November 6, 2024
Sacramento Transportation Authority	Thursday, November 14, 2024
SacRT Mobility Advisory Council (planned)	Thursday, November 21, 2024

SacRT Flex Implementation Timeline

Open Registration Process	Monday, December 2, 2024
App Available for Download	Tuesday, December 10, 2024
Soft Launch	Tuesday, December 17, 2024
Last Day of SmarT Ride	Tuesday, December 31, 2024
Full Launch of SacRT Flex	Thursday, January 2, 2025

RESOLUTION NO. 2024-11-122

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

November 18, 2024

APPROVING A SOLE SOURCE PROCUREMENT AND CONTRACT FOR SACRAMENTO REGIONAL TRANSIT DISTRICT DEMAND-RESPONSE TRANSIT-AS-A SERVICE WITH NOMAD TRANSIT, LLC AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE CONTRACT AMENDMENTS

WHEREAS, direct operation of SacRT's SmaRT Ride microtransit service will be discontinued, effective January 1, 2025 to achieve urgently needed budget savings, as required by SB 125; and

WHEREAS, to avoid an interruption in service to existing SmaRT Ride customers, a new vendor for the proposed SacRT Flex service must be secured expeditiously; and

WHEREAS, Nomad Transit, LLC, operating in California under the brand "Via" has demonstrated its qualifications to operate service of this nature, both through numerous implementations through the country, as well as locally, in West Sacramento; and

WHEREAS, due to insufficient time to conduct a new competitive solicitation and have a replacement service in place by January 1, 2025, SacRT has negotiated with Via on a sole source basis to provide demand-response transit as a service; and

WHEREAS, SacRT's Neighborhood Shuttle Program Cycle 2 grant agreement with the Sacramento Transportation Authority provides \$1,200,000 in consideration for SacRT operating microtransit service that would be fulfilled under the scope of work of the Contract for Sacramento Regional Transit District Demand Response Transit as-a Service (TAAS) with Nomad Transit, LLC (the Contract).

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

THAT, pursuant to Section 1.405.B.2 of the Sacramento Regional Transit District Procurement Ordinance (2022-12-001), the Board determines that it is in the best interest of SacRT to solicit only one consultant for the provision demand-response transit as a service to be operated as SacRT Flex.

THAT, the Contract for Sacramento Regional Transit District Demand-Response Transit as-a Service (TAAS) by and between the Sacramento Regional Transit District (therein "SacRT") and Nomad Transit, LLC (therein "Contractor"), whereby Contractor

agrees to provide demand-response service for SacRT, as further set forth therein, for an amount not to exceed \$2,608,074, is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute the foregoing contract.

THAT, the General Manager/CEO is hereby authorized to negotiate and execute up to three amendments to the Contract for the purpose of increasing service levels, if, in aggregate, the amendments increase annual costs by no more than \$530,000 and increase the total Contract not-to-exceed amount by no more than \$800,000, subject to the availability of funding within the approved Operating Budget.

PATRICK KENNEDY, Chair

A T T E S T:
HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary