

**TO:** James L. App, City Manager  
**FROM:** Jim Throop, Director of Administrative Services  
**SUBJECT:** **Transit Operations Contract Extension**  
**DATE:** May 18, 2010

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**NEEDS:** For the City Council to consider an extension of the City's Transit Operating agreement with First Transit, Inc.

- FACTS:**
1. The City contracts with First Transit, Inc. to provide public transit services.
  2. The current Operations contract agreement is effective from July 1<sup>st</sup>, 2007 to June 30<sup>th</sup>, 2010,
  3. The current agreement includes provisions for five (5) one-year extensions of the contract, contingent on the mutual consent of the City and First Transit Inc.
  4. Both city staff and First Transit agree to a contract extension.
  5. The rates currently charged by First Transit for providing transit services, both monthly fixed fees and the charge per revenue hour, would remain unchanged during the first one-year contract extension.

**ANALYSIS & CONCLUSION:** The City current contracts for Transit operations. The performance of the contractor has been consistently satisfactory during the three-year period of the agreement. The City would be required to initiate an RFP process if the current contract is not extended. This bidding process would require substantial staff time, and would likely result in a significant increase in contractual expenses.

**FISCAL IMPACT:** No fiscal impact would result from the adoption of the contract extension. Undetermined expenses that would be incurred through the contract bidding process, and a probable resultant increase in rates paid by the city to a contractor, would be avoided by the approval of the contract extension.

- OPTIONS:**
- A. Adopt Resolution No. 10-XXX approving extension of Transit Agreement for one year through June 30, 2011
  - B. Amend, modify or reject the above option

RESOLUTION NO. 10-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
APPROVING A TRANSIT OPERATIONS CONTRACT EXTENSION WITH  
FIRST TRANSIT, INC.

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WHEREAS, the City of Paso Robles provides public transit services through its operations contractor, First Transit, Inc.; and

WHEREAS, the current Agreement for the provision of Transit Services between the City and First Transit expires on June 30<sup>th</sup>, 2010, and

WHEREAS, the Agreement provides for five (5) one year extension of the contract, with the mutual consent of both parties, and

WHEREAS, the City has sought, and First Transit has agreed to, a one-year extension of the agreement, retaining the contract rates currently in effect for FY 2009/10.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of El Paso de Robles to approve the transit operations contract agreement between the City of Paso Robles and First Transit, Inc for the 2010/11 fiscal year, July 1, 2010 to June 30, 2011.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 18th day of May, 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Duane Picanco, Mayor

ATTEST:

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Lonnie Dolan, Deputy City Clerk