

TO: James L. App, City Manager
FROM: Jim Throop, Director of Administrative Services
SUBJECT: Transit Operations Contract Extension
DATE: May 21, 2013

Needs: For the City Council to approve a contract amendment for a one-year extension of the Transit Services Agreement between the City of El Paso de Robles and First Transit, Inc.

Facts:

1. The City contracts with First Transit, Inc. to provide public transit services.
2. The Transit Services Agreement was originally effective for a term of three years, from July 1st, 2007, to June 30, 2010. The Agreement included provisions for five (5) one-year extensions, contingent on the mutual consent of the City and First Transit, Inc.
3. The first one-year extension, through Fiscal Year 2010/11, was approved by the City Council on May 18, 2010. The second one-year extension of the Agreement, through Fiscal Year 2011/12, was approved by the City Council on June 7, 2011, and the third on Jun 19, 2012.
4. Both City staff and First Transit agree to another contract extension through the 2013/14 Fiscal Year, or until transit service consolidation with the RTA takes place, currently planned for May, 2014.
5. The rates currently charged by First Transit for providing transit services, both monthly fixed fees (\$16,595/mo) and the charge per revenue hour (\$22.26), would remain unchanged during the fourth one-year contract extension.

Analysis & Conclusion:

The City currently contracts for Transit operations with First Transit, Inc. The performance of the contractor has been consistently satisfactory during both the three-year period of the Agreement, and the three subsequent one-year extensions of that 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 likely result in a significant increase in contractual expenses.

Fiscal

Impact:

There would be no fiscal impact resulting from the adoption of the contract extension, as Transit operations contract fixed costs and hourly rates would remain at their current levels. Undetermined expenses that would be incurred through the contract bidding process, and a probable 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. 13-xxx approving extension of Transit Services Agreement for one year through June 30, 2014, or until service consolidation occurs, or

- B. Amend, modify or reject the above option

Attachments:

- 1: Contract Amendment
- 2: Resolution

FIFTH AMENDMENT TO TRANSIT SERVICES AGREEMENT

This Fifth Amendment to the Transit Services Agreement ("Fifth Amendment") is entered into this 21st day of May, 2013, by and between the City of El Paso de Robles, a municipal corporation ("City") and First Transit, Inc., a Delaware corporation ("Contractor").

Recitals

A. The City and Laidlaw Transit Services, Inc., a Delaware corporation ("Laidlaw") entered into a Transit Services Agreement, dated September 1, 2007, for the provision of certain transit services by Laidlaw for City. Contractor is the successor-in-interest to Laidlaw.

B. The City and Contractor entered into four Amendments to the Transit Services Agreement, dated January 5, 2010, May 17, 2010, June 7, 2011, and June 5, 2012. The Transit Services Agreement and Amendments to Transit Services Agreement are referred to collectively herein as the "Agreement."

C. The Agreement provides that the term of the Agreement may be extended by mutual consent of the parties.

Agreement

Section 1. Pursuant to Section 3 of the Agreement, the parties hereby agree that the term of the Agreement shall be extended by one (1) year, to June 30, 2014, or until transit service consolidation with the Regional Transit Authority (RTA) takes place.

Section 2. City shall pay a fixed hourly rate per vehicle revenue hour, as set forth in Section 5.(a) of the Agreement, of \$22.26 from July 1, 2013 to June 30, 2014.

City shall pay a fixed monthly rate, per service month, as set forth in Section 5.(b) of the Agreement, of \$16,595.00 from July 1, 2013 to June 30, 2014.

Section 3. Except as modified by this Fifth Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

[Signatures on following page]

City of Paso Robles, a municipal corporation

By: _____
James L. App, City Manager

Attest:

By: _____
Dennis Fansler, City Clerk

"CITY"

First Transit, Inc., a Delaware corporation

By: _____

Name: _____

Title: _____

"CONTRACTOR"

RESOLUTION NO. 13-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
APPROVING A ONE-YEAR TRANSIT OPERATIONS CONTRACT EXTENSION WITH
FIRST TRANSIT, INC.

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

WHEREAS, the City has an Agreement for the provision of Transit Services between the City and First Transit, Inc., and

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

WHEREAS, the third of these contract extensions will expire on June 30, 2013, and

WHEREAS, the City has sought, and First Transit has agreed to, a fourth one-year extension of the agreement, retaining the contract rates currently in effect for Fiscal Year 2012/13, \$16,595 per month and \$22.26 per revenue hour;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of El Paso de Robles to approve a fourth one-year extension of the Transit Operations Contract Agreement between the City of El Paso de Robles and First Transit, Inc. for the 2012/13 Fiscal Year, July 1, 2013 to June 30, 2014, or such time as transit services are consolidated with the RTA, whichever is sooner.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 21 day of May, 2013 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Duane Picanco, Mayor

ATTEST:

Caryn Jackson, Deputy City Clerk