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2012-2013

CITY OF FRESNO
City Clerk's Office (Original)

**INTERAGENCY SERVICES AGREEMENT BETWEEN THE FRESNO COUNTY
RURAL TRANSIT AGENCY AND THE CITY OF FRESNO**

This agreement, made and entered into this 30th day of June, 2011 by and between City of Fresno, a municipal corporation, hereinafter referred to as "City", and the Fresno County Rural Transit Agency, hereinafter referred to as "FCRTA" a Joint Powers Agency (together sometimes referred to as the "Parties")

WITNESSETH:

WHEREAS, the parties have mutually negotiated this Fleet Vehicle Maintenance Agreement (the "Agreement" or "Contract") to service and maintain FCRTA's vehicle fleet.

NOW THEREFORE, and in consideration of the foregoing and of the mutual promises hereafter expressed, and intended to be legally bound thereby, the parties do mutually agree as follows:

SECTION 1. GENERAL.

- 1.1 Subject to the terms and conditions set forth in this Agreement, and as authorized by controlling law including California Health and Safety Code section 34278 and City Charter section 202, the City shall provide to FCRTA the services described and incorporated herein, at the time and place and in the manner specified therein, in order to promptly and professionally maintain the FCRTA's vehicle fleet.
- 1.2 The FCRTA hereby agrees to engage The City of Fresno to provide, and/or coordinate the necessary provisions to service and maintain the Fleet Vehicle Maintenance Services for FCRTA's alternatively powered (compressed natural gas, and unleaded fueled) vehicles,
- 1.3 The vehicle maintenance shall be required to comply with all requirements set forth in the California Vehicle Code, and California Administrative Code for General Public, Paratransit Vehicles (GPPV) and scheduled fixed route general public transit vehicles. The City shall be responsible for maintaining the physical appearance of the interior and exterior of the vehicles, which shall include periodic washing, cleaning, and waxing.
- 1.4 The FCRTA vehicles and City terminal shall be subject to annual inspection by designated representatives of the California Highway Patrol, in accordance with stipulated law and regulations.

SECTION 2. TERM OF SERVICES.

The term of this Agreement shall be for a term of one (1) year commencing on July 1, 2012 through June 30, 2013 but may be extended by written notice between the parties per section 11.1 of this agreement.

SECTION 3. SCOPE OF SERVICES.

- 3.1 General - Repairs and Service** The City hereby agrees to perform repairs and maintenance services necessary to maintain the FCRTA's fleet in good operating condition for use by the FCRTA. Further, upon specific approval by the FCRTA's Contract Administrator or designee, emissions certifications will also be provided for all FCRTA vehicles required to submit verified compliance under California State Law.
- 3.2 Repair Facility Access.** The City will allow the FCRTA to access the Municipal Service Center at 2101 "G" Street, Fresno, CA during normal operating hours.
- 3.3 Transport of Vehicles** The City will be responsible for transporting FCRTA vehicles in need of maintenance, repairs etc. to the City's Municipal Service Center site located at: 2101 "G" Street, Fresno CA 93706. The City will also provide or contract road side services and towing in the event that vehicles are disabled and cannot be safely driven to the repair facility.
- 3.4 Job Tasks.** The City will provide a list of general job tasks that are to be performed on the FCRTA's Fleet prior to commencing work. These tasks include but are not limited to: periodic preventative maintenance services, emissions testing, roadside services/towing and after hour call-outs.
- 3.5 Repair Estimates.** It is understood and agreed that the FCRTA will NOT require prior verbal and/or written approval for any repair or maintenance job task up to \$1,500.00 per event. Any amount over \$1,500.00 will require the verbal and/or written authorization from the FCRTA's Contract Administrator, or authorized designee.
- 3.6 Fueling Station Access** The City agrees to provide fuel site access to the City-owned and operated fueling facilities located at: 2101 "G" Street, Fresno CA 93706. At the FCRTA's option, the City will install the necessary fueling computer(s) to access the automated fueling system. The FCRTA will be charged for actual parts and labor associated to install the devices. Parts and labor costs to install such devices will be per section 4.2 of this agreement but shall not to exceed \$450.00 per vehicle. Upon retirement of the vehicle or termination of this contract, all automated fueling hardware will be removed from the vehicle(s) at the City's cost, and returned to the City's possession. The City will re-use automated fueling system hardware if possible in the event that the FCRTA removes a vehicle from service and replaces it with a new vehicle. In such event, the City will charge the FCRTA only for new or additional material costs and labor associated with transferring equipment from the old vehicle to the new vehicle.
- 3.7 Automated Work Order System.** The City agrees to enter all work performed on the FCRTA's Fleet on an Automated Work Order System. Each FCRTA vehicle will have a unique and exclusive Vehicle tracking number. The system will archive historical data on each vehicle serviced so that a maintenance and repair history may be established. Additionally, the City agrees to incorporate all FCRTA vehicles into the Preventative Maintenance Notification system. Preventative Maintenance Notification will be via e-mail to FCRTA's Contract Administrator or authorized designee.
- 3.8 Personnel** - The City shall employ, train and/or sub-contract personnel required to perform the maintenance service, including vehicle shuttling. Employees responsible

for the maintenance of the vehicles shall be qualified to provide such services under applicable laws and regulations. Maintenance personnel, responsible for testing driving vehicles shall possess the minimum required California Drivers License and be qualified to operate said vehicles without revenue passengers. Personnel responsible for shuttling vehicles shall possess the minimum required California Drivers License and be qualified to operate said vehicles without revenue passengers.

It should be noted that all mechanics and supervisory personnel shall be subjected (to Drug and Alcohol Testing in accordance with mandates set forth by the Federal Transit administration (FTA) for general public transit operators. Expenditures associated with such compliance shall be the responsibility of the FCRTA. Such testing shall include:

1. Pre-Employment;
2. Reasonable Suspicion;
3. Post-Accident;
4. Random; and
5. Return-to-Duty.

If a City employee fails to pass a drug or alcohol test, they shall be prohibited from performing any tasks on FCRTA's fleet under this Agreement. . The City may deal with their employee pursuant to their own policies and procedures.

SECTION 4. COMPENSATION, BILLING AND PAYMENT FOR SERVICES.

The compensation to the City for parts and services under this Agreement shall not exceed the line-item maintenance portion budgeted from the respective transit subsystems as contained in the adopted, and as necessary amended, 2012-2013 FCRTA Budget, provided no penalties or awards are assessed. This budget amount will be communicated to the City in writing at the time of execution of this agreement and thereafter within ten (10) days of any amendment... FCRTA has no responsibility to pay any sums beyond the compensation set forth in this Agreement. This amount may be amended by mutual written agreement between Contract Administrators for the FCRTA and the City. FCRTA shall pay City for services rendered pursuant to this Agreement at the time and in the manner set forth herein the payments specified below shall be the only payments from FCRTA to City for services rendered pursuant to this Agreement. City shall submit all invoices to the FCRTA in the manner specified herein;

4.1 Invoices. Subject to the previous Sections, the City shall submit an itemized monthly service bill to FCRTA within thirty (30) days, following the given month in which services were rendered on the fleet vehicles. The Statement shall set forth the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- 4.1.1** The beginning and ending dates of the billing period.
- 4.1.2** A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion.
- 4.1.3** A detailed billing statement of all labor, parts, supplies, and where applicable, fueling charges for services provided by the City during the invoice period with copies of work orders itemizing specific maintenance, or inspection, work performed to each respective vehicle, with a separate accounting of parts and fluids, and fair and reasonable labor charges as negotiated by the FCRTA General Manager and the City at the time of

execution, amendment, or extension of this agreement..

4.1.4 The City's Contract Administrator signature.

4.2 **Service Fees.** The FCRTA agrees to pay the City for all labor, parts, supplies, and where applicable, fueling charges for services provided on the FCRTA's Fleet. Labor, fuel, material and subcontract costs with associated markups will be consistent with the City's established billing rates for internal departments. Rates will be re-established and mutually agreed upon renewal of each contract extension on July 1st of each fiscal year. The City will invoice the FCRTA for actual service(s) provided in accordance with the rates set forth herein.

Invoices and billings by other independent vendors, under the City's direction, shall be coordinated by City maintenance personnel for recordkeeping and accountability requirements. Failure to coordinate and maintain itemized billings for subcontractors will result in a 3% penalty to the City per monthly occurrence and shall be deducted from a subsequent reimbursement billing payment.

4.3 **Payment by FCRTA.** FCRTA shall make payment on the billing within thirty (30) days from receipt of said bill. Failure by FCRTA to do so will result in a 3% increase award to a subsequent reimbursement billing payment to the City.

SECTION 5. STATUS OF CITY.

5.1 **The City as Independent Contractor.** It is understood that the City shall be an independent contractor and the City and shall not be an employee of FCRTA. FCRTA shall have the right to control the City only insofar as the results of City's services rendered pursuant to this Agreement; however, FCRTA shall not have the right to control the means by which City accomplishes services rendered pursuant to this Agreement.

5.2 **Not an Agent.** Except as FCRTA may specify in writing, City shall have no authority, express or implied, to act on behalf of FCRTA in any capacity whatsoever as an agent. City shall have no authority, express or implied, pursuant to this Agreement to bind FCRTA to any obligation whatsoever.

SECTION 6. GOVERNING LAW.

The laws of the State of California shall govern this Agreement. This does not waive any obligations to comply with FTA or other applicable federal requirements listed below.

SECTION 7. FEDERAL REQUIREMENTS

7.1 Charter Bus Requirements (49 U.S.C. T 5323(d) and 49 CFR Part 604)

The City agrees to comply with 49 U.S.C. T 5323(d) and 49 CFR Part 604, which provides that recipients (Caltrans) and sub-recipients (FCRTA) of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one (1) private charter operator willing and able to provide the service, except under one (1) of the exceptions at 49 CFR 604.9. Any charter service provided under one (1) of the exceptions must be "incidental," i.e., it must not interfere with or detract from the provision of mass transportation.

7.2 School Bus Requirements (69 U.S.C. 5323(t) and 49 CFR Part 605)

Pursuant to 69 U.S.C. 5323(t) and 49 CFR Part 605, Recipients (Caltrans) and sub-recipients (FCRTA) of FTA assistance may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators unless qualified under specified exemptions. When operating exclusive school bus service under an allowable exemption, recipients (Caltrans) and sub-recipients (FCRTA) may not use federally funded equipment, vehicles, or facilities.

7.3 Energy Conservation Requirements (42 U.S.C. 6321 et seq.; 49 CFR Part 18)

Pursuant to 42 U.S.C. 6321 et seq.; 49 CFR Part 18, the City agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the State of California Energy Conservation Plan issued in compliance with the Federal Energy Policy and Conservation Act.

7.4 Clean Air Requirements — 42 U.S.C. 7401 et. seq.; 40 CFR 15.61; 49 CFR Part 18

- A. The City agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ E 7401 et seq. The City agrees to report each violation to the FCRTA and understands and agrees that the FCRTA will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.
- B. The City also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

7.5 Clean Water Requirements (33 U.S.C. 1301 et seq.)

- A. The City agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1301 et seq. The City agrees to report each violation to the FCRTA and understands and agrees that the FCRTA will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.
- B. The City also agrees to include these requirements in each sub-contract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

7.6 Lobbying - 31 U.S.C. 1352; 49 CFR Part 19; 49 CFR Part 20

The undersigned The City certifies, to the best of his or her knowledge and belief, that:

- A. No Federal appropriated funds have been paid or will be paid, by or on I behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of this Contract, the making of the Federal grant associated with this Contract, the entering into of this cooperative agreement, and the extension, continuation, renewal, amendment, or ,modification of this

Contract in association with the Federal contract, grant, or cooperative agreement.

- B. If any funds, other than Federal appropriated funds, have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Contract, the undersigned shall complete and submit separately the Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413.
- C. The undersigned shall be required to include the specific language of this certification clause in all subsequently awarded documents for all sub-awards at all tiers, including subcontracts and that all sub-recipients shall certify and disclose accordingly.

This certification clause is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352(c)(1)-(2)(A), as amended by the Lobbying Disclosure Act of 1995. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.

The undersigned The City certifies or affirms the truthfulness and accuracy of each statement of this certification clause and disclosure, if any. In addition, the City understands and agrees that the provisions of 31 U.S.C. A 3801, et seq., apply to this certification clause and disclosure, if any.

_____ Signature of The City's Authorized Official

_____ Name and Title of The City's Authorized Official

_____ Date

7.7 Access to Records and Reports — 49 U.S.C. 5330; 18 CFR 18.36 (l); 49 CFR 633.17

The following access to records requirements apply to this Contract:

- A. The FCRTA, as a local government and FTA sub-recipient or a sub-grantee of the FTA Recipient (Caltrans) in accordance with 49 C. F. R. 18.36(l), the — The City agrees to provide the FCRTA, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the City which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts and transcriptions. The City also agrees, pursuant to 49 C. F. R. 633.17 to provide the FTA Administrator or his authorized representatives.

- B. The City agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- C. The City agrees to maintain all books, records, accounts and reports required under this Contract for a period of not less than three years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case The City agrees to maintain same until the FCRTA, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11).
- D. FTA does not require the inclusion of these requirements in subcontracts.

7.8 Federal Changes - 49 CFR Part 18

The City shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Agreement (Form FTA MA(11), dated October 1, 2004) between the FCRTA, Caltrans and FTA, as they may be amended or promulgated from time to time during the term of this Contract. The City's failure to so comply shall constitute a material breach of this Contract.

7.9 Contract Work Hours and Safety Standards Act

- A. Overtime requirements — No contractor or sub-contractor for any part of this contracted work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty (40) hours in such workweek.
- B. Violation; liability for unpaid wages liquidated damages - In the event of any violation of the clause set forth in paragraph "A" of this section, the City and any sub-contractor responsible therefore shall be liable for the unpaid wages. In addition, such The City and sub-contractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph one (1) of this Section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard work week of forty (40) hours without payment of the overtime wages required by the clause set forth in paragraph "A" of this Section.
- C. Withholding for unpaid wages and liquidated damages - The FCRTA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the City or subcontractors under any such the City any other Federal contract with the same prime The City, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime The City, such sums as may be determined to be necessary to satisfy any liabilities of such The

City or subcontractors City for unpaid wages and liquidated damages as provided in the clause set forth in paragraph "B" of this section.

- D. Subcontracts - The contractor or sub-contractor shall insert in any subcontracts the clauses set forth in paragraphs "A" through "D" of this section and also a clause requiring the sub-contractor to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any sub-contractor or lower tier sub-contractor with the clauses set forth in paragraphs "A" through "D" of this Section.

7.10 No Government Obligation to Third Parties

- A. The FCRTA and The City acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the FCRTA, The City, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract.
- B. The City agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractors who will be subject to its provisions.

7.11 Program Fraud and False or Fraudulent Statements and Related Acts - 31 U.S.C. 3801 et. seq.; 49 CFR Part 31 18 U.S.C. 1001; 49 U.S.C. 5307

- A. The City acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. §§ 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Contract. Upon execution of the underlying Contract, the City certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying Contract or the FTA assisted project for which this Contract work is being performed. In addition to other penalties that may be applicable, the City further acknowledges that if it makes, or causes to be made, a false, Fictitious, or fraudulent aim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the City to the extent the Federal Government deems appropriate.
- B. The City also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a Contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the City, to the extent the Federal Government deems appropriate.
- C. The City agrees to include the above two (2) clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractors who will be subject to the provisions.

7.12 Government-Wide Debarment and Suspension (Non-procurement)

This Contract is a covered transaction for purposes of 49 CFR Part 29. As such, the City is required to verify that none of the City, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The City is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By this Contract the City certifies as follows:

The certification in this clause is a material representation of fact relied upon by the FCRTA. If it is later determined that the City knowingly rendered an erroneous certification, in addition to remedies available to the FCRTA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The City agrees to comply with the requirements of 49 CFR 29, Subpart C while this Contract is valid and throughout the period of any Contract that may arise from this Contract. The City further agrees to include a provision requiring such compliance in its lower tier covered transactions.

7.13 Privacy Act - 5 U.S.C. 552

The City agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a.

Among other things, the City agrees to obtain the express consent of the Federal Government before the City or its employees operate a system of records on behalf of the Federal Government.

The City understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying Contract.

The City also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.

7.14 Civil Rights Requirements - 29 U.S.C. § 623, 42 U.S.C. § 2000; 42 U.S.C. § 6102, 42 U.S.C. § 12112; 42 U.S.C. § 12132, 49 U.S.C. § 5332; 29 CFR Part 1630, 41 CFR Parts 60 et seq.

The following requirements apply to the City:

- A. Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the City agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national

origin, sex, age, or disability. In addition, the City agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

B. Equal Employment Opportunity — The following equal employment opportunity requirements apply to the City:

1. Race Color Creed National Origin Sex - in accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the City agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal ; Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11306, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11306 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies. The City agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and election for training, including apprenticeship. In addition, the City agrees to comply with any implementing requirements FTA may issue.
2. Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. §§ 623 and Federal transit law at 49 U.S.C. § 5332, the City agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the City agrees to comply with any implementing requirements FTA may issue.
3. Disabilities-In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the City agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the City agrees to comply with any implementing requirements FTA may issue.

C. The City also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

7.15 Transit Employee Protective Agreements - 49 U.S.C. § 5310, § 5311, and § 5333; 29 CFR Part 215

- A. The City agrees to the comply with applicable transit employee protective requirements as follows:
1. General Transit Employee Protective Requirements - To the extent that FTA determines that transit operations are involved, the City agrees to carry out the transit operations work on the underlying Contract in compliance with terms and conditions determined by the U.S. Secretary of Labor to be fair and equitable to protect the interests of employees employed under this Contract and to meet the employee protective requirements of 49 U.S.C. A 5333(b), and U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto.
 2. Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. § 5311 in Nonurbanized Areas - Since this Contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. § 5311, the City agrees to comply with the terms and conditions of the Special Warranty for the Nonurbanized Area Program agreed to by the U.S. Secretaries of Transportation and Labor, dated May 31, 1979, and the procedures implemented by U.S. DOL or any revision thereto.
- B. The City also agrees to include the any applicable requirements in each subcontract involving transit operations financed in whole or in part with Federal assistance provided by FTA.

7.16 Incorporation of Federal Transit Administration (FTA) Terms – FTA Circular 4220.1E

Incorporation of Federal Transit Administration (FTA) Terms — The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding Contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1 E, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The City shall not perform any act, fail to perform any act, or refuse to comply with any FCRTA requests which would cause the FCRTA to be in violation of the FTA terms and conditions.

7.17 Drug and Alcohol Testing - 49 U.S.C. §5331; 49 CFR Parts 653 and 654

The City agrees to:

- A. Participate in FCRTA's drug and alcohol program established in compliance with 49 CFR 653 and 654.

OR

- B. Establish and implement a drug and alcohol testing program that complies with 49 CFR Parts 653 and 654, produce any documentation necessary to establish its compliance with Parts 653 and 654, and permit any authorized representative of the United States Department of Transportation or its

operating administrations, the State Oversight Agency of California, or the FCRTA, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Parts 653 and 654 and review the testing process. The City agrees further to certify annually its compliance with Parts 653 and 654 before July 1, 2011 and to submit the Management Information System I (MIS) reports before March 15th of each year to Caltrans Headquarters. To certify compliance the City shall use the "Substance Abuse Certifications" in the "Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements," which is published annually in the Federal Register.

SECTION 8. MUTUAL INDEMNIFICATION.

- 8.1** FCRTA shall indemnify, hold harmless and defend City and each of its officers, officials, employees, agents and authorized volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by the City, FCRTA or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly from the negligent or intentional acts or omissions of FCRTA or any of its officers, officials, employees, agents or authorized volunteers in the performance of this Agreement; provided nothing herein shall constitute a waiver by FCRTA of governmental immunities including California Government Code Section 810 et seq.
- 8.2** City shall indemnify, hold harmless and defend FCRTA and each of its officers, officials, employees, agents and authorized volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by City, FCRTA or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly from the negligent or intentional acts or omissions of City or any of its officers, officials, employees, agents or authorized volunteers in the performance of this Agreement; provided nothing herein shall constitute a waiver by City of governmental immunities including California Government Code Section 810 et seq.
- 8.3** In the event of concurrent negligence on the part of FCRTA or any of its officers, officials, employees, agents or authorized volunteers, and City or any of its officers, officials, employees, agents or authorized volunteers, the liability for any and all such claims, demands and actions in law or equity for such losses, fines, penalties, forfeitures, costs and damages shall be apportioned under the State of California's theory of comparative negligence as presently established or as may be modified hereafter.
- 8.4** This section shall survive termination or expiration of this Agreement.

SECTION 9. INSURANCE

- 9.1** The FCRTA shall secure and maintain throughout the term of this Agreement, or extensions thereof, automobile liability (Bodily injury and Property Damage) not less than \$5,000,000 per occurrence.

- 9.2 The FCRTA shall provide the City with valid certificates of insurance reflecting the above and further, that said coverage has the following endorsements:
- In that the City and their appointive and elective officers and employees are additionally named insured.
 - That said policy shall not be canceled or terminated except upon thirty (30) days prior written notice to the other parties of this agreement.
- 9.3 Said certificates or other proof of the required insurance, shall be provided before the City commences performance under this agreement or extensions thereof.
- 9.4 The City shall immediately report any and all accidents to the FCRTA General Manager as they occur. A written report, using FCRTA's Accident Form shall be submitted within twenty four (24) hours of the occurrence. The accident/incident shall be rated under the following classifications: "preventable" or "non-preventable"; "at-fault" or "not-at-fault" to assist in risk management follow-up and on-going in-service training of all drivers. The City shall assume any and all liability for non-compliance with this provision.
- 9.5 The City will also be responsible to pay for "preventable" and "at fault" accidental vehicle damages, up to one thousand dollars (\$1,000.00) deductible amount, as specified in the FCRTA insurance policy. Specific financial arrangements shall be resolved between the parties of this Agreement with the fiscal year (July through June) in which the accident occurred, as defined by the period of the Contractual Agreement.
- 9.6 The City shall secure and maintain workers compensation coverage as required by statute. The City shall assume any and all liability for non-compliance with this provision.

SECTION 10. TERMINATION AND MODIFICATION.

- 10.1 The FCRTA or City may terminate this Contract, or any portion of it, by serving a 30 days written notification to the other party. The notice shall state whether the termination is for convenience of the party or for default.
- 10.1.1 **Termination for Convenience** –Either party, by written notice as provided in paragraph 12.13, may terminate this Agreement, in whole or in part, when it is in their respective interest. If this Agreement is terminated, the FCRTA shall be liable only for payment under the payment provisions of this Agreement for services rendered before the effective date of termination. The City shall promptly submit its termination claim to FCRTA to be paid to the City. If the termination is for the convenience of the FCRTA, the City shall be paid its Agreement close-out costs.
- 10.1.2 **Termination for Default** - If either party fails to perform in the manner called for in the Agreement, or if either party fails to comply with any other provisions of the Agreement, the other party may terminate this Agreement for default. Termination shall be effected by serving a notice of termination on the other setting forth the manner in which the party is in

default. If the Agreement is terminate due to default of the City, the City will only be paid the contract price for goods and services delivered and accepted, or services performed in accordance with the manner or performance set forth in this Contract

If, after termination for failure to fulfill the obligations hereunder, it is determined that the party was not in default, or that the party had an excusable reason for not performing, such as a strike, Fire, or flood, events which are not the fault of or are beyond the control of the party, the parties, after setting up a new performance schedule, may agree to reinstate the Agreement and continue work, or treat the termination as a termination for convenience.

10.1.3 Opportunity to Cure - The non-breaching party, in its sole discretion may, in the case of a termination for breach or default, allow the other party thirty (30) days in which to cure the defect, In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions.

If the defaulting party fails to remedy to the non-defaulting party's satisfaction the breach or default of any of the terms, covenants, or conditions of this Agreement within ten (10) days after receipt of written notice from the non-defaulting party setting forth the nature of said breach or default, the non-defaulting party shall have the right to terminate the Agreement without any further obligation to the to the other party [except as provided in 10.1.2]. Any such termination for default shall not in any way operate to preclude either party from also pursuing all available remedies against the other party and its sureties for said breach or default.

10.1.4 Waiver of Remedies - In the event that either party elects to waive its remedies for any breach by the other party of any covenant, term or condition of this Agreement, such waiver by the party shall not limit that party's remedies for any succeeding breach of that or of any other term, covenant, or condition of this Agreement.

10.1.5 Preservation of FCRTA Property - If this Agreement is terminated while the City has any of FCRTA's property in its possession, the City shall promptly return the property to the FCRTA. The City shall protect and preserve the property until surrendered to the FCRTA or its agent. The City and FCRTA shall agree on payment for the preservation and protection of FCRTA's property. Failure to agree on an amount will be resolved under the Dispute clause (Section 12.2).

10.1.6 Payment upon Termination. In the event that the City or FCRTA terminates this Agreement, the FCRTA shall compensate the City for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. City shall maintain adequate documentation to verify costs incurred to that date.

10.2 Notwithstanding the aforementioned clauses, this Agreement shall terminate on June 30, 2013 unless extended by the written consent of both parties.

SECTION 11. PROVISIONS FOR RENEGOTIATION OF THIS AGREEMENT

The FCRTA and the City may renegotiate the Agreement to provide for the extension of the terms of the Agreement, which may include, but are not limited to: modifying the level of services; modifying cost of service; and/or basis for contract rewards and penalties.

- 11.1 Extensions.** The Parties may extend in writing Agreement when signed by the Contract Administrator of each Party as defined in section 12.12 of this agreement. Any such renegotiation which would extend the term of this Agreement beyond June 30, 2013, shall endeavor to be negotiated before May 1, 2012, unless expressly waived in writing by both parties.
- 11.2 Amendments.** The Parties may amend this Agreement only by a writing signed by the Contract Administrator of each Party as defined in section 12.12 of this agreement
- 11.3 Survival.** All obligations arising prior to the termination of this Agreement and all indemnity provisions shall survive the termination of this Agreement.

SECTION 12. MISCELLANEOUS PROVISIONS.

- 12.1 Breaches, Dispute Resolution and Opportunity to Cure.** Prior to filing suit for any claim under this Agreement for any alleged breach, the aggrieved Party shall first give the other Party an opportunity to cure the alleged breach by sending written notice to the breaching party and giving the breaching party a minimum of thirty (30) days from the receipt of notice to cure the alleged violation.
- 12.2 Claims and Disputes** - The Parties shall make good faith efforts to resolve any and all Claims and disputes in a timely manner that may from time to time arise during the term of this Agreement. In the event the dispute cannot be resolved by agreement of the Parties, the dispute shall be referred to FCRTA's General Manager. The decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy of the General Manager's written decision the City sends notice of its objection to the decision to the General Manager as provided in Paragraph 12.13.
- It shall be a condition precedent to mediation, arbitration or litigation between the Parties as to all such matters that a formal decision on all Claims or Disputes be made by the FCRTA General Manager. It shall be a condition precedent that the Parties mediate any disputed Claim through non-binding mediation prior to initiating litigation. Unless mutually waived in writing by both parties, these provisions apply.
- 12.3 Performance During Dispute** - Unless otherwise directed by the FCRTA, the City shall continue performance under this Contract while matters in dispute are being resolved.
- 12.4 Claims for Damages** — Should either party to the Agreement suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages shall be made in writing to such other party within a reasonable time after the first observance of such injury of damage.
- 12.5 Rights and Remedies** — The duties and obligations imposed by the Contract Documents and the rights and remedies available there under shall be in addition to

and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

- 12.6 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action may be decided by non binding mediation or arbitration if the parties mutually agree or otherwise venued exclusively in Fresno County Superior Court or in the United States District Court for the Eastern District of California.
- 12.7 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled.
- 12.8 Severability.** It is not the intent of either party to violate any laws of the State of California or of the United States. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement. The parties agree that in the event any provision of this Agreement is held by a court of competent jurisdiction to be in contravention of any such laws, then the parties will enter into immediate negotiations to rectify the offending clause or clauses. The remainder of this Agreement shall remain in full force and effect.
- 12.9 Waiver.** The failure of any party to enforce, at any time or for any period of time, the provisions hereof shall not be construed as a waiver of such provisions or of the rights of any party to enforce each and every provision.
- 12.10 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 12.11 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties. The requirements and benefits of this Agreement may not be assigned, transferred or delegated without the written consent of all parties hereto. This agreement does not create any third party rights or interests.
- 12.12 Contract Administration.** The City's Fleet Manager and the FCRTA's General Manager shall be designated as each party's "Contract Administrator". This Agreement shall be administered by and correspondence shall be directed to these Contract Administrators or their authorized designees.
- 12.13 Notices.**

Any written notice to the FCRTA shall be sent to:

**Jeffrey Webster
Fresno Count Rural Transit Agency
2035 Tulare Street, Suite 201
Fresno CA 93721**

Any written notice to City shall be sent to:

Jim Schaad
City of Fresno Fleet Management Division
2101 "G" Street Building "F"
Fresno, CA 93706

Notices shall be delivered personally, by confirmed Facsimile, Confirmed E-Mail, or by prepaid U.S. Mail.

12.14 Integration and Precedence of Documents. This Agreement, including the Exhibits attached hereto and incorporated herein, is the entire and integrated agreement between City and FCRTA and supersedes all prior negotiations, representations, or agreements, either written or oral. In event of a conflict, the body of the agreement shall control the Exhibits.

12.15 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

The Parties have executed this Agreement as of the Effective Date, Dated this 1 of July, 2012.

JEFFREY WEBSTER
General Manager



AMARPREET DHALIWAL
Chairman



CITY OF FRESNO
APPROVED AS TO FORM:



KENNETH HAMM, Director
Department of Transportation



MARK SCOTT
City Manager

APPROVED AS TO FORM:
JAMES C. SANCHEZ
City Attorney

By: 

Robert C. Abrams
Deputy City Attorney

ATTEST:
YVONNE SPENCE, CMC
City Clerk

By: 

Yvonne Spence 6/27/12
Deputy

CA
6/28/12

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
FRESNO COUNTY RURAL TRANSIT AGENCY
AND THE
CITY OF FRESNO**

CITY OF FRESNO
City Clerk's Office (Original)

The following Memorandum of Understanding (MOU) sets forth and defines a formal working relationship between the Fresno County Rural Transit Agency (herein referred to as FCRTA) and the City of Fresno General Services Department Fleet Management Division (herein referred to as City of Fresno) for the sole purpose of FCRTA vehicle maintenance. It is intended that an Interagency Services Agreement ("ISA") will be developed and executed between the parties as a result of this MOU that specifies the contractual obligations of the parties.

CHAPTER 1 RECITALS

**1.1 CONSOLIDATED TRANSPORTATION SERVICE AGENCY (CTSA)
CO-DESIGNATION**

- A. In accordance with Chapter 1120 of the 1979 California Statutes, the Fresno Council of Governments (FCOG) as the Regional Transportation Planning Agency for Fresno County has co-designated FCRTA and the Fresno County Economic Opportunities Commission (FCEOC) as the Rural CTSA for the Rural Fresno County Area as identified in the FCOG's adopted Assembly Bill 120 Action Plan of 1982 and the Fresno County Coordinated Human Services Transportation Plan of 2008.
- B. In the Fresno Urban Metropolitan Area, the CTSA co-designation is between the City of Fresno and Fresno County Economic Opportunities Commission (FCEOC) as identified in the FCOG adopted Assembly Bill 120 Action Plan of 1982 and the Fresno County Coordinated Human Services Transportation Plan of 2008.

CHAPTER 2 GENERAL PRINCIPLES

2.1 ESTABLISHMENT OF A FORMAL WORKING RELATIONSHIP

- A. FCRTA and City of Fresno affirm that a formal working relationship between their agencies will directly contribute to the coordination and consolidation process to improve vehicle maintenance for Rural Fresno County.
- B. City of Fresno, as an agency provides fleet vehicle maintenance, and FCRTA, as an agency provides public transportation service, have mutual

and specific responsibilities relating to the needs of the general public including: the elderly, the disabled, children and low income groups. The agencies share a desire to integrate public transportation service by means of a coordinated and/or consolidated approach to the provision of vehicle maintenance.

- C. FCRTA and City of Fresno recognize that each agency is responsible for various activities mandated by Assembly Bill 120 Act and the FCOG's Assembly Bill 120 Action Plan and the FCOG's Fresno County Coordinated Human Services Transportation Plan and that each can be more effective in preventing overlap and duplication in carrying out these and other special transportation responsibilities by maintaining a continuing awareness of each other's activities and services.
- D. FCRTA and City of Fresno affirm that joint action using the authorities and resources vested in each agency will enhance their mutual efforts to improve public and social service transportation by consolidating the vehicle maintenance for Rural Fresno County.
- E. FCRTA and City of Fresno hereby express their joint intent to mutually carryout their responsibilities as a respective co-designated CTSA's in a manner which shall assure compliance with the Social Service Transportation Improvement Act and the Assembly Bill 120 Action Plan of 1979 and Fresno County Coordinated Human Services Transportation Plan of 2008.
- F. The Fresno Council of Governments (FCOG) was mandated, by the local voter approved Measure – C Expenditure Plan of 2006, to conduct an evaluation to consolidate the public transit agencies of the City of Fresno, the City of Clovis, and the FCRTA.

To that end two (2) consultant studies were conducted by Nelson-Nygaard and Associates to further consider consolidation opportunities. And pursuant to accepted recommendations, the City of Fresno and the FCRTA have recognized an opportunity to further enhance their mutual opportunities. Active discussions have raised the prospects of an inter-agency agreement to formally contract with the City of Fresno for the FCRTA fleet maintenance services beginning July 1, 2012.

- G. The State of California's Department of Transportation (Caltrans) and the Federal Transit Administration (FTA) has had a long standing practice to encourage "coordination" and "consolidation" between public and non-profit social transportation agencies as a means to maximize available resources, equipment and personnel to further enhances services to the general public including: low income, elderly, disabled, and children.

CHAPTER 3 CTSA ADMINISTRATIVE STRUCTURE

3.1 ADMINISTRATIVE COORDINATION

- A. FCRTA and City of Fresno shall coordinate the vehicle maintenance program and shall provide for review of the CTSA goals, policies, and work programs by the policy making bodies of both agencies.
- B. All parties to the Agreement recognize the responsibility of the FCRTA to perform the day-to-day administrative tasks relating to the development and implementation of the Rural Fresno County fleet maintenance program.
- C. FCRTA and City of Fresno each agree to designate a member of their professional staff who shall be responsible for carrying out this Agreement. These liaison personnel shall meet as often as necessary to implement review, evaluate and coordinate the on-going vehicle maintenance activities of the program.
- D. The Executive Officers or their designees shall meet periodically to evaluate the effectiveness of City of Fresno and FCRTA vehicle maintenance coordination.

CHAPTER 4 DEFINITION OF RESPONSIBILITIES

4.1 CITY OF FRESNO RESPONSIBILITIES

- A. City of Fresno shall be responsible for administration and implementation of the overall FCRTA vehicle maintenance program to improve vehicle maintenance consolidation for Rural Fresno County. City of Fresno responsibilities shall include:
 - 1. Provide all FCRTA vehicle maintenance in compliance with California Highway Patrol (CHP) Motor Carrier Safety Unit.
 - 2. Assurance of compliance with the Annual Maintenance Terminal Inspection for Certification required by Transportation Development Act (TDA) for annual funding claim.
 - 3. Assurance of compliance with the California Bureau of Automotive Repair (BAR) for government fleet Smog Check Program Annual Report.

4. Maintain a system of accounts and maintain financial records in accordance with the Uniform System of Accounts and accepted accounting principles.
5. Maintain recordkeeping systems which provide adequate measures of operations including: billing, invoices, purchasing, sublet repairs and maintenance.
6. Provide for shuttle drivers and emergency towing services as required.
7. Participate in studies and analysis in cooperation with the FCOG and FCRTA to identify potential benefits of further consolidation.
8. Provide for incidental on-site and off-site storage of FCRTA back-up vehicles. The majority of FCRTA's vehicle fleets are stored in distant outlying rural communities to ensure efficient service.

4.2 FCRTA RESPONSIBILITIES

- A. FCRTA shall provide policy guidance and technical assistance necessary for all vehicle maintenance in accordance with its responsibilities as a Rural CTSA co-designate.
- B. FCRTA shall monitor and evaluate the City of Fresno's performance of all vehicle maintenance performed.
- C. FCRTA shall file claims with FCOG for Article 4, 4.5, and/or 8c TDA/LTF (Transportation Development Act/Local Transportation Fund) monies and shall act as the prime administrator of those funds for Rural Fresno County.
- D. Payment of monies shall be subject to compliance with the FCRTA annual Budget and the ISA.

CHAPTER 5 FCRTA BOARD OF DIRECTORS

5.1 RESPONSIBILITIES

- A. The FCRTA Board of Directors shall provide policy direction to its staff.
- B. The Board of Directors shall review, comment upon, and formally accept by adoption resolution the FCRTA's Annual Budget and then Rural CTSA's Annual Operations Program Budget (OPB).

- C. The Board of Directors shall review, comment upon, and formally accept by adoption resolution all claims for TDA monies. FCOG Policy Board shall retain their rights and responsibilities to act on all Local Transportation Fund Claims submitted in behalf of all claimants, including the co-designated CTSA's.
- D. The Board of Directors shall review and comment upon the Rural CTSA Performance Evaluation Report and the Rural Fresno County CTSA Audit Report.

5.2 PUBLIC NOTIFICATION OF MEETINGS

- A. All meeting agendas will be made available to the general public and interested parties in accordance with the Brown Act. Further, list of potentially affected social service agencies will be established and maintained by the FCOG in accordance with responsibilities associated with it's Fresno County Coordinated Human Services Transportation Plan as amended.

CHAPTER 6 GENERAL PROVISIONS

6.1 AMENDMENTS

- A. This Memorandum constitutes and expression of desire for, and a means of accomplishing, the general requirement for the development and implementation of a Consolidated Vehicle Maintenance Program for the Rural Area of Fresno County. It may be modified, altered, revised, or expanded as deemed appropriate to that end by written agreement of all parties.

6.2 TERM OF AGREEMENT

A. The terms of this Agreement shall be deemed continuous, but may be modified, amended and/or terminated at any time, by written sixty day (60) notice from one of the parties to the other.

FRESNO COUNTY RURAL TRANSIT AGENCY

CITY OF FRESNO

By: [Signature]
Amarpreet Dhaliwal,
Chairman

By: [Signature]
Mark Scott,
City Manager

Date: 5/30/12

Date: 6/28/12

By: [Signature]
Jeffrey D. Webster,
General Manager

By: [Signature]
Kenneth Hamm,
Director of Transportation

Date: 5/30/12

Date: 6-26-12

ATTEST:

YVONNE SPENCE, CMC
City Clerk

By: [Signature] 6/27/12
Deputy Date

APPROVED AS TO FORM:
JAMES C. SANCHEZ
City Attorney

By: [Signature] 6/27/2012
Robert C. Abrams Date
Deputy City Attorney

AGENDA ITEM NO. 1A
COUNCIL MEETING 06-28-12
APPROVED BY


DEPARTMENT DIRECTOR

CITY MANAGER

June 28, 2012

FROM: KENNETH HAMM, Director 
Department of Transportation

BY: JIM SCHAAD, Manager 
Transportation/Fleet Management Division

SUBJECT: AUTHORIZE THE DIRECTOR OF TRANSPORTATION, OR HIS DESIGNEE, TO EXECUTE AN AGREEMENT WITH THE FRESNO COUNTY RURAL TRANSIT AGENCY, TO MANAGE THE MAINTENANCE AND REPAIR OF FRESNO COUNTY RURAL TRANSIT AGENCY VEHICLES

RECOMMENDATIONS

Staff recommends the City Council authorize the Director of Transportation, or his designee, to execute an agreement with the Fresno County Rural Transit Agency (FCRTA), to manage the maintenance and repair of FCRTA's fleet vehicles.

Presented to City Council
Date 6/28/12
Disposition Approved

EXECUTIVE SUMMARY

As part of an overall effort to explore various possibilities towards agency consolidation, the City of Fresno and the Fresno County Rural Transit agency (FCRTA) have recently recognized potential efficiency, effectiveness and costs gains associated with the City of Fresno's Fleet Management Division performing maintenance activities for Fresno County Rural Transit Vehicles. The attached Memorandum of Understanding (MOU) constitutes an expression of desire for the development and implementation of a Consolidated Vehicle Maintenance Program for the Rural Area of Fresno County.

The MOU and attached Interagency Agreement affirm the formal working relationship between the two agencies and a means of accomplishing the development of a Consolidated Vehicle Maintenance Program. Entrance into this agreement will benefit the FCRTA by managing their fleet in a manner that provides for more consistency in vehicle service and maintenance intervals as well as more cost effective repair service. The agreement will also benefit the City by allowing the current overhead costs charged to City customers to be spread across an additional 85 units within the FCRTA fleet with the overall net effect of reducing Fleet's overhead cost to all customers.

BACKGROUND

The Fresno Council of Governments was mandated by the local voter approved Measure C Expenditure Plan of 2006, to evaluate potential benefits of consolidation of public transit system operations. Subsequently two (2) professional consultant studies were performed to explore various possibilities towards agency consolidation in the future. In the meantime, during these times of economic uncertainty, and the further decline of local, State, and Federal financial resources, each agency has examined what it may need to do to

REPORT TO THE CITY COUNCIL

Execute An Agreement With The Housing Authorities City And County of Fresno

June 28, 2012

Page 2

ensure the sustainability of its public services. As part of our mutual ongoing efforts to look for consolidation opportunities, the Fresno County Rural Transit Agency (FCRTA) and the City of Fresno have recently recognized potential opportunities for more efficiency, effectiveness, and cost savings could be achieved by the City of Fresno's Fleet Management Division performing the maintenance activities for FCRTA's entire vehicle fleet.

During the previous twenty-five (25) years, the FCRTA has utilized the services of a local for-profit vendor. The Federal Transit Administration and Caltrans have encouraged the FCRTA to explore other competitive arrangements. The stipulated State and Federal requirements prove to be very challenging for potential inexperienced vendors who lack "Satisfactory" compliance ratings by the California Highway Patrol (CHP). The FCRTA recognizes the need to manage their fleet in a manner that provides for more cost effective services, including: interval preventative maintenance; and/or repairs at labor rates by supervised and experienced certified mechanics and volume discounts for parts and supplies.

The Fleet Management Division of the Transportation Department engaged in active discussions relative to the prospects of an inter-agency agreement through which the FCRTA would formally contract with the City of Fresno for the FCRTA fleet maintenance services beginning July 1, 2012. The attached MOU and Interagency Agreement are a result of those ongoing discussions, and are consistent with adopted Consolidated Transportation Service Agencies (CTSA's) "Operations and Budget for Fiscal Year 2012-13". The MOU constitutes an expression of desire for the development and implementation of a Consolidated Vehicle Maintenance Program for the Rural Area of Fresno County. The documents affirm a formal working relationship between the two (2) agencies and are the means of accomplishing the development of a Consolidated Vehicle Maintenance Program.

Entrance into this agreement will benefit the FCRTA by managing their fleet in a manner that provides for more consistency in vehicle service and maintenance intervals as well as more cost effective repair service.

The agreement will also benefit the City by allowing the current overhead costs charged to City customers to be spread across eighty-five (85) additional units, with the overall net effect of reducing Fleet's overhead cost to all customers. The additional revenue generated by FCRTA business will offset potential internal customer demand decreases, allowing Fleet Management to retain skilled technicians to improve its current direct cost to overhead ratios.

The attached MOU and Interagency Agreement provide for the purpose, scope and terms and conditions for the Fleet Management Division to provide maintenance, repair, and fueling and information management services for the FCRTA's fleet for a period of one (1) year, with provisions for 5 additional 1-year extensions subject to approval as to form by the City Attorney's office. Under the agreement the FCRTA will be charged the same rate as current internal City customers.

This initiative builds upon past staff efforts to broaden the customer base of the Fleet Management Division to outside clients. Currently Fleet performs maintenance services for the Fresno Housing Authority's vehicle fleet. Staff has previously performed upfitting services for the Fresno Air National Guard. Staff is also pursuing maintenance and fueling agreements with Fresno City College and the Fresno Unified School District.

FISCAL IMPACT

The additional revenue generated through the contract will allow a portion of the current overhead costs to be spread across a larger number of vehicles, thus reducing the overall net effect of overhead cost to all customers. Fleet management anticipates that its labor rate could be reduced by approximately \$2.00 per hour, and result is a savings to internal customers by approximately \$150,000. The FCRTA expects that its total maintenance cost for labor, parts, and supplies will be reduced significantly as a direct result of this mutual arrangement. An amendment to the Annual Appropriation Resolution (AAR) will be submitted at the beginning of FY2013 to adjust anticipated revenues and request additional appropriations for related expenditures.

Attachments: MOU between Fresno County Rural Transit Agency and the City of Fresno.
Interagency Agreement between Fresno County Rural Transit Agency and the City of Fresno