

June 26, 1981

FOUR PARTY AGREEMENT RELATING TO THE PROVISION OF
TRANSPORTATION SERVICES TO THE ELDERLY AND HANDICAPPED

THIS AGREEMENT between CITY OF SACRAMENTO, a charter city (CITY); the COUNTY OF SACRAMENTO, a charter county (COUNTY); SACRAMENTO REGIONAL TRANSIT DISTRICT, a public corporation (RT); and SACRAMENTO AREA COUNCIL OF GOVERNMENTS, a joint powers agency (SACOG), is entered into on this 30th day of June, 1981.

R E C I T A L S

WHEREAS, California Government Code Section 15975 requires SACOG to adopt an action plan relating to transportation services provided to social service recipients, which plan must include but not be limited to, the designation of a Consolidated Transportation Service Agency (CTSA) within the geographic area of the jurisdiction of the transportation planning agency; and

WHEREAS, the action plan may designate more than a single agency or multiple agencies as Consolidated Transportation Service Agencies and must specify an orderly strategy and schedule detailing the steps required to develop the financial program and management structure necessary to implement consolidated or coordinated services; and

WHEREAS, SACOG has prepared a Draft AB120 Action Plan for Consolidation of Social Service Transportation dated June, 1981 which recognizes Paratransit Inc. (PTI) as an eligible Consolidated Transportation Service Agency [AB 120 refers to Social Service Transportation Improvement Act (Chapter 1120 , Statutes of 1979)]; and

WHEREAS, presently transportation services to the elderly and handicapped are provided both by RT and Paratransit, Inc., a non-profit corporation; and

WHEREAS, it is the intent of the parties to balance the following objectives in providing transportation services to the elderly and handicapped:

1. To centralize transportation services to the elderly and handicapped with a single agency; and
2. To assure that such service is monitored by a responsible public entity; and

WHEREAS, PTI is an eligible designee as a Consolidated Transportation Service Agency (CTSA); and

WHEREAS, in the event of a designation of PTI as a CTSA, it will be necessary for each of the parties to this agreement to contribute in some manner in order to accomplish consolidation of all transportation services to the elderly and handicapped with PTI; and

WHEREAS, it is the purpose of this agreement to set forth the terms and conditions under which their contribution will be made.

W I T N E S S E T H:

I. TERM

This agreement shall be for a one-year term and shall expire on June 30, 1982. This agreement shall be null and void in the event SACOG does not designate PTI as a CTSA on or before July 31, 1981.

II. DESIGNATION: PRECONDITIONS:

As a precondition to SACOG's designation of PTI as a CTSA, PTI or any other non-profit agency applying for status as a CTSA shall do the following:

- A. Agree in writing not to be an applicant for funds made available by Article 4 of the Transportation Development Act nor for funds made available by the State Transit Assistance Program established by Chapter 161 of the Statutes of 1979 (SB 620) except for grants for specific projects upon approval of RT or SACOG; and
- B. Establish a board of directors which shall serve at the pleasure of the appointing authority mentioned for each appointment below and shall serve staggered terms, but in no event shall any single term exceed four years.

Board Qualifications

1. Be made up of nine members.
2. Two members, appointed by the City Council, who shall be representative of the general public (non users of the service).
3. Two members, appointed by the County Board of Supervisors, who shall be representatives of the general public (non users of the service).
4. Two members, appointed by the Board of Directors of RT.
5. One member, appointed by SACOG, representing any city or county with whom PTI contracts for service.
6. Two members, one appointed by the Sacramento City Council and one by the Sacramento Board of Supervisors, representing the user community.

III. CITY OF SACRAMENTO

CITY will pay funds in the amount of \$650,000.00 to SACOG to pass through to the appropriate agencies only upon the conditions set forth in this agreement to which all parties to this agreement agree to be mutually bound.

It is mutually understood by all parties that the CITY agreement to contribute funds relates to a period of one year only. Any contribution beyond June 30, 1982, by CITY will require affirmative action of the Sacramento City Council.

CITY payments to SACOG shall be made quarterly in four installments as follows: First payment will be made upon notification to CITY by SACOG that conditions A. and B. under Article II, and also Paragraphs A. and B. of Article X of this agreement have been met by PTI. The dates of payment and the amounts to be paid are as follows:

1. Upon notification mentioned above	\$261,650
2. October 1, 1981	129,450
3. January 1, 1982	129,450
4. April 1, 1982	129,451

Said payments are to be made provided that PTI continues to meet the conditions set forth in Article X hereof.

IV. BOARD OF SUPERVISORS

COUNTY will pay funds in the amount of \$33,600.00 to SACOG to pass through to the appropriate agencies only upon the conditions set forth in this agreement to which all parties to this agreement agree to be mutually bound.

It is mutually understood by all parties that the COUNTY agreement to contribute funds relates to a period of one year only. Any contribution beyond June 30, 1982, by the COUNTY will require affirmative action of the Board of Supervisors of the County of Sacramento.

COUNTY will pay \$33,600 upon notification that conditions A. and B. under Article II and Article X of this agreement have been met.

V. RT

RT agrees, upon the conditions set forth in this agreement, to transfer to PTI various items of equipment specified in Exhibit "A", attached hereto; to waive and relinquish its right to claim funds available for such service under Article 4.5 of the Transportation and Development Act; to refer its Careful Coach patrons to PTI; relinquish its plans to consolidate all elderly and handicapped transportation service at RT and to dismantle the infrastructure of staff, facilities and equipment associated with the special elderly and handicapped services presently rendered by RT.

RT shall continue to operate fixed route service to the Sacramento Association for the Retarded clientele, but shall not contribute toward the cost of the aides associated with that service.

VI. SACOG

In consideration for the mutual promises and covenants contained in this agreement, SACOG agrees to impose conditions to assure efficient, effective and fiscally responsible management of the program, including but not limited to those set forth in paragraph X of this agreement which the parties to this agreement find to be consistent with the AB120 Action Plan for Consolidation of Social Service Transportation and to be reasonable and necessary to coordinate, consolidate and improve transportation to the elderly and handicapped.

SACOG payments to PTI of CITY and COUNTY funds will be made on a quarterly basis, after the deduction of the amounts set forth elsewhere in this Agreement and the annual SACOG administrative cost of \$65,000, which shall be payable in quarterly installments of \$16,250 for monitoring and evaluation of PTI's operation and implementation of the conditions set forth in this Agreement and conditions of Article 4.5 claim approval. The first quarterly payment to PTI will be made upon fulfillment of conditions A. and B. contained in Articles II and X of this Agreement and after receipt of the funds from the CITY and COUNTY as specified in Articles III and IV of this Agreement. Future payments will be made to PTI upon continued fulfillment of the conditions specified in this Agreement after SACOG receives them from CITY.

In the event SACOG designates PTI as a Consolidated Transportation Service Agency, performance of the duties set forth in paragraphs III, IV and V are contingent upon imposition of conditions no less restrictive than those set forth in paragraph X of this Agreement upon such designated agency.

In the event of a termination of the designation of PTI as a CTSA, any funds held by SACOG shall be held in trust for the use of elderly and handicapped transportation purposes. Any such funds contributed by the CITY or the COUNTY shall be expended only with the consent of the CITY and the COUNTY.

VII. PLANS

A. The parties recognize that this initial designation of Para-Transit Inc. as a CTSA to provide transportation to

the elderly and handicapped is an interim solution. In order to develop a long-range service mechanism in the event designation is not renewed in future fiscal years, and a contingency plan for the assumption of service in the event of revocation of the designation of the CTSA, the CITY, SACOG, COUNTY and RT shall each appoint one board member and one staff person who shall, by January 1, 1982, make a joint recommendation to each of the affected agencies. Said recommendation shall not be binding on any of the parties.

B. SACOG shall develop a "504" plan for the Sacramento region under which the CTSA shall have responsibility until June 30, 1982, or until its CTSA designation is lost, for any local curb to curb services to the elderly and handicapped, and RT shall retain all responsibility for fixed line service.

Said plan shall be approved by the Elderly and Handicapped 504 Advisory Committee.

C. SACOG shall also issue a report to CITY by March 1, 1982 which quantifies the difference in service provided by PTI within the CITY and the unincorporated area of the COUNTY.

VII. RETIREMENT OF PTI OBLIGATIONS TO RT AND OTHERS, SAR AIDES PROGRAM

Funds made available by CITY and COUNTY pursuant to the terms of this agreement shall be utilized by SACOG for transportation to the elderly and handicapped subject to the following:

A. Pay directly to RT an amount necessary to retire all debts which, by August 15, 1981, are owing to RT from PTI for advances, loans, security to PTI's benefit and/or for services rendered on PTI's account by RT, during the month of July, if any, but in no event shall such amount exceed approximately \$170,000.--, which represents approximately \$30,000.-- due and owing RT from PTI as a prepaid operating subsidy for FY 1980-81, \$40,000.-- advanced as security for operating capital loan from the Bank of Alex Brown, and which includes an estimate of \$100,000.-- to be advanced to PTI to cover for service during July, which shall be

paid to RT by SACOG in installments as follows: On or about October 1, 1981 - \$33,333.-- ; on or about January 1, 1982 - \$33,333.--; on or about April 1, 1982 - \$33,334.--.

B. To provide funding for the aide program associated with transportation services to the Sacramento Association for the Retarded (SAR) in the amount of up to, but not in excess of, \$35,000.-- to be paid pursuant to a payment schedule specified by SACOG.

C. To retire any and all loans or advances owing to any party other than RT which were extended to permit PTI to operate during the month of July, 1981.

IX. FUNDING

Funds made available from Article 4.5 of the Transportation Development Act, CITY contribution and COUNTY contribution for July 1, 1981 through June 30, 1982 shall neither exceed \$1,244,718 nor exceed the actual operating cost per hour X 52,000 hours of service to the elderly and handicapped. In funding the operations of PTI, as a designated CTSA, SACOG shall develop a payment schedule identifying the source of the funds and the amount from each of the sources of funds that are being paid in accordance with that schedule.

To the extent that the funds made available by the CITY and COUNTY are not required for operations between July 1, 1981 and June 30, 1982, SACOG shall retain, in trust, said excess funds for future transportation service to the elderly and handicapped community.

Accounting for utilization of revenues available for elderly and handicapped transportation operations by PTI shall be in the following priority:

- 1st: Fares
- 2nd: Article 4.5 funds
- 3rd: County funds
- 4th: City funds

In addition, none of the funds made available under this agreement shall be utilized to purchase property, other than supplies necessary for the day to day operations, without the prior approval of SACOG. Any such acquired property shall be returned to SACOG to be held, in trust, for the provision of elderly and handicapped transportation service, on June 30, 1982 or upon the loss of CTSA status.

X. CONDITIONS

In the event SACOG designates PTI as a CTSA, it shall impose conditions no less restrictive than the following: Said conditions shall be imposed upon approval of any claim for Article 4.5 TDA funds to said CTSA as well.

A. That the Board of Directors of PTI be made up in accordance with paragraph II of this agreement.

B. That such agency specifically promise and acknowledge that it will not apply for any funds made available by Article 4 of TDA/ nor funds made available by the State Transit Assistance Program established by Chapter 161 of the Statutes of 1979 (SB 620) except for grants for specific projects upon RT and SACOG approval.

C. That any significant change in level of service shall be required to be approved by SACOG.

D. That in consolidating existing transportation service to the elderly and handicapped, the CTSA shall require Social Service Agencies participating in consolidation or coordination to continue to maintain funding levels for consolidated services necessary to meet the transportation needs of their social service consumers.

E. That all service contracts, funding applications and detailed operating and capital budgets of the CTSA shall be submitted to SACOG's Board of Directors for approval.

F. That monthly operating and fiscal reports shall be submitted to SACOG for review per exhibit "B" attached hereto .

G. That no funds made available through this agreement nor through Article 4.5 TDA nor farebox revenue generated from service paid for in whole or in part by said funds shall be utilized for programs which PTI operates other than the ones for which the funds are approved, nor for any programs conducted in jurisdictions other than the CITY and COUNTY of Sacramento.

H. That the CTSA acknowledge that the revocation of the CTSA designation shall not result in any compensable claim against any of the parties to this agreement inasmuch as all assets, goodwill and proprietary position arising out of the designation was acquired with public funds.

I. That the CTSA shall develop an annual management plan and a detailed service plan relating to levels of service, eligibility criteria and the financial and management structure necessary to successfully consolidate and coordinate transportation services to the elderly and handicapped community of Sacramento which plans shall be approved by SACOG's Board of Directors.

J. That title and possession of that property listed in Exhibit "A" attached hereto and incorporated herein by reference as if set forth in full shall be transferred to SACOG on June 30, 1982, or upon the loss of CTSA status by PTI, whichever first occurs, unless designation of PTI as CTSA is extended. When such property is transferred, it shall be held by SACOG, in public trust, for elderly and handicapped transportation service purposes.

That PTI shall agree to execute any documents of title necessary to carry out such transfer.

Upon designation by SACOG of a substitute agency, if any, title shall be transferred to such substitute agency under and subject to similar conditions. In the event no substitute agency is designated by SACOG title and possession to such property shall revert to RT upon such determination by SACOG.

K. That the CTSA shall indemnify and hold harmless and defend all the parties to this agreement, their officers, employees and agents from and against all claims, losses, liabilities, or damages, including attorney fees, arising out of or resulting from the designation and operation as a CTSA and the use of the resources and rights made available, caused in whole or in part by any negligent act or omission of the CTSA or anyone directly, or indirectly employed by the CTSA, regardless of whether or not it is caused in part by a party indemnified hereunder. It shall carry insurance as specified in exhibit "c" attached hereto

L. That PTI shall use a uniform system of accounts and shall account for all funds received from SACOG in the form and manner prescribed by SACOG. That prior to September 15, 1981, an audit shall be conducted on PTI operations at PTI's expense for the fiscal year July 1, 1980 through June 30, 1981 by an auditor selected by SACOG. The scope of the audit shall be determined by SACOG and shall include a physical inventory of property in PTI's possession as of June 30, 1981. That SACOG shall make a finding as to the source of funding for all items in the inventory.

That PTI shall agree that SACOG shall have the right, at any reasonable time, to inspect any and all records, files and books of account of PTI.

M. That PTI shall meet all conditions of the performance evaluation prepared by Angus McDonnell & Associates.

N. That the CTSA shall comply with all other conditions imposed by SACOG.

XI. SACOG DISCRETION

Nothing contained in this agreement shall be construed to limit the authority and power of SACOG; to designate a CTSA in accordance with the provisions of applicable law, to renew the designation of a CTSA or to revise the AB120 Action Plan.

XII. BREACH AND TERMINATION

In the event of a failure to carry out any of the obligations imposed by this agreement by any party to this agreement, any one or more of the parties may compel specific performance by the other party.

If for any reason, the objectives of this agreement cannot be accomplished in the manner contemplated by this agreement, the following shall occur:

1. Any funds held by SACOG shall be held in trust for use for elderly and handicapped transportation purposes. Any such funds contributed by the CITY or COUNTY shall be expended only with the consent of the CITY and the COUNTY.

2. PTI shall be required to return any unexpended funds to SACOG.

3. SACOG shall no longer be required to pay PTI any additional funds.

4. SACOG shall have the authority to impound funds held by PTI deposited in any bank or other financial institution. PTI

PTI shall be obligated to execute any documents necessary to grant SACOG such authority.

5. SACOG shall immediately cause an accounting to be conducted to assure that funds not properly expended in accordance with the terms of this agreement are returned to SACOG.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed on the first day hereinabove written.

Approved as to form:

James P. Jackson, City Attorney
City of Sacramento

CITY OF SACRAMENTO (CITY)

By Mayor, City of Sacramento

Approved as to form:

Lee Elam, County Counsel
Sacramento County

COUNTY OF SACRAMENTO (COUNTY)

By Lee Elam
Chairperson, Sacramento Board of Supervisors

Approved as to form:

William Holliman, Attorney
General Counsel, SACOG

SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG)

By Chairperson, Board of Directors

Approved as to form:

John T. Ketelsen
John T. Ketelsen
Chief Legal Counsel

SACRAMENTO REGIONAL TRANSIT DISTRICT (RT)

By Chairperson, Board of Directors