

# City of Sacramento

## Legislation Text

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**File #:** 2019-01544, **Version:** 1

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**Title:**

**Withdrawal from the Four-Party Agreement for Funding and Transportation Services to the Elderly and Disabled in Sacramento County**

File ID: 2019-01544

**Location:** Citywide

**Recommendation:**

Adopt a Resolution authorizing the City Manager or the City Manager's designee to: 1) notify the Sacramento Regional Transit District (RT), the County of Sacramento, and the Sacramento Area Council of Governments (SACOG) that the City of Sacramento intends to withdraw on or about March 29, 2020 from the "Agreement Relating to the Funding and Provision of Transportation Service to the Elderly and Disabled in Sacramento County" (also known as the "Four-Party Agreement").

**Contact:** Fedolia "Sparky" Harris, Principal Planner (916) 808-2996; David Edrosolan, Interim City Traffic Engineer, (916) 808-5974, Department of Public Works

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Resolution
- 3-Agreement 88-031

**Description/Analysis**

**Issue Detail:** The Agreement Relating to the Funding and Provision of Transportation Service to the Elderly and Disabled in Sacramento County, adopted in 1981, was intended to unify provision for transportation for the elderly and disabled so that Paratransit Inc. would provide such services to all agencies in Sacramento County. After renewal of Measure A took effect in 2009, the City no longer had an obligation under the "Four Party Agreement" to contribute direct funding as funding was provided directly from Measure A revenue.

Regional Transit (RT) has recently withdrawn from the agreement and will not be renewing its contract with Paratransit, as RT intends to now provide these services using the Measure A funding. Without participation of all parties, the four-party agreement is no longer relevant so the City of Sacramento should also formally withdraw.

**Policy Considerations:** Withdrawal from the Four-Party Agreement is intended to support the transition of Americans with Disabilities Act (ADA) paratransit services for the elderly and persons with disabilities from Paratransit, Inc. to Sacramento Regional Transit. Sacramento Regional Transit will provide services consistent with the City's 2035 General Plan policy to support the provision of demand-responsive service (e.g., paratransit) and other transportation services for those unable to use conventional transit (M 3.1.11).

**Economic Impacts:** Not applicable.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** Withdrawal from an agreement related to the management of a transportation service that would continue to be provided without any diminution in service levels involves the creation (or dissolution) of government funding mechanisms, or organizational or administrative activities, of governments, and that would not result in any identifiable direct or indirect physical changes in the environment. These activities are not considered a "project" and are not subject to the requirements of the California Environmental Quality Act (CEQA). CEQA Guidelines section 15378(b)(4)(5); 15060(c)(3).

**Sustainability:** Not applicable.

**Commission/Committee Action:** None.

**Rationale for Recommendation:** On June 30, 1981, the City Council adopted Resolution No. 1981-0501 authorizing the City Manager to execute the Four-Party Agreement between the City of Sacramento, County of Sacramento, Sacramento Regional Transit District, and Sacramento Area Council of Governments to provide transportation services to the elderly and handicapped (Agreement No. 80-241). This service was previously provided by both RT and Paratransit, Inc. Following this action, Paratransit, Inc. was designated by SACOG as the consolidated transportation service agency to provide this service. Agreement No. 88-031 passed by Resolution No. 1988-0706 includes the most recent revision of the Four-Party Agreement, the stated purpose of which is "to set forth the terms and conditions under which future contributions will be made" to fund these services. The City's sole obligation under the Agreement is to provide direct, annual funding contributions. This obligation expired in 2009 with the enactment of the Measure A ordinance, which currently provides 4.5% of the sales tax revenue to support senior and disabled transportation services (Expenditure

Plan Section VII).

Provisions of the latest agreement permit any party to withdraw from this agreement effective July 1 of the succeeding year upon written notice to the other parties no later than 60 days prior to July 1. On September 11, 2019, Paratransit notified Sacramento Regional Transit that it would no longer pursue a contract to provide paratransit services under the American with Disabilities Act and proposed that RT withdraw from the “Four Party Agreement.” On September 23, 2019, the Board of Directors of the Sacramento Regional Transit District authorized and directed the General Manager/CEO to provide “Notice of Termination for Convenience” to Paratransit, Inc. regarding the current “ADA Paratransit Service Agreement,” and to operate ADA paratransit service in-house effective April 1, 2020. The Board of Directors also authorized and directed the General Manager/CEO to provide notice to the City of Sacramento, County of Sacramento and Sacramento Area Council of Governments that RT will withdraw from the “Four Party Agreement,” effective July 1, 2020.

Adoption of the staff recommendation recognizes that the obligations under the Agreement, as constituted, are no longer applicable to the City and removes any confusion or encumbrances created by the “Four Party Agreement” to the successful transition of paratransit services to Sacramento Regional Transit.

**Financial Considerations:** The City’s General Fund contribution of \$650,000 annually towards paratransit services under the Four-Party Agreement for ADA services ended in 2009 when the renewed Measure A was enacted.

The Measure Ordinance provided a 1% set-aside for the first 10-year period (July 2009 through June 2019). In Fiscal Year 2017/18, funding was approximately \$1.2 million annually provided to Paratransit Inc. Beginning in July 2019, the allocation increased to 4.5% (estimated at \$4.3 million annually). This increase in funding should permit RT to provide higher levels of service to these customers.

**Local Business Enterprise (LBE):** Not applicable.