



OFFICE OF THE CITY MANAGER

June 22, 2010

MEMORANDUM

TO: Mayor and City Council

FROM: Carey F. Smith, City Manager *CFS*

SUBJECT: **Demand Response (Peak Period Service) Contract Amendment and Vehicle Lease Agreement**

As you may recall, in December, staff recommended and you approved a new peak period demand response transportation service to support work related travel in Rock Hill. The proposed service would piggy-back on our current demand response program by dedicating buses during morning and late afternoon times for employment travel purposes. In December, you authorized staff to move ahead with planning for the new service and applying for a 100 percent stimulus program grant from FTA.

In March, we received approval of an ARRA transit grant in the amount of \$410,000.00. The grant covers the purchase of six vehicles; three for the new peak period service and three to replace aging vehicles used in the demand response program. The grant also includes operating costs for the first year of operation. In May, staff provided you with an update on the service and marketing plans to initiate this program on July 1st.

Since May, staff have been working with Wendy Duda and the City Attorney's Office on amending our current contract approved in July, 2009 to reflect the incorporation of the new Peak Period Service option. Specifically, the amendments reflect Peak Period operations will be available Monday through Friday from 5:30am to 9:00am and from 3:30pm to 6:00pm. Additionally, it should be noted that 25,000 passenger miles have been included and budgeted for this purpose in FY 2010-11; cost for the first year is covered by the ARRA grant. The amendments also address the six vehicles to be leased to YCCOA, their use and maintenance requirements.

It is also important to note that since the City will be contributing vehicles to support our existing Demand Response Program as well as initiate Peak Period Service, a separate vehicle lease agreement is required by FTA. Notable provisions of the lease agreement include: allowable use of the vehicles; verification that regular and preventive maintenance is being performed on a consistent basis; insurance requirements; and that an annual physical inventory of the vehicles will be made.

CITY OF ROCK HILL

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Staff has actively coordinated with the York County Council on Aging, the South Carolina Department of Transportation, the Federal Transit Administration as well as Risk Management and the City Attorney to ensure that all applicable federal and state requirements have been satisfied; please note that SCDOT and FTA have reviewed and granted their approval for the City to move forward with implementation of our Peak Period Service Program.

At your meeting, staff will review the attached contract amendment and vehicle lease agreement with you.

Enclosures