STAFF REPORT

MEETING DATE:	**October 22, 2019**
SUBJECT:	**Authorize the Executive Director to Execute a Lease Agreement and Administrative Amendment to SRTA's Contract with Dignity Health Connected Living for Specialized Transportation Services**
AGENDA ITEM:	**5-11**
STAFF CONTACT:	**Sean Tiedgen, AICP, Senior Transportation Planner**

SUMMARY:

SRTA contracted with Dignity Health Connected Living (DHCL) to provide specialized transportation services, including Consolidated Transportation Services Agency (CTSA) services and Sunday On-Demand Transit services. A contract amendment revising insurance requirements and a vehicle lease agreement for SRTA-owned vehicles is recommended for approval by the SRTA Board of Directors.

STAFF RECOMMENDATION:

It is recommended that the board of directors authorize the executive director to:

1. Approve Amendment #1 to the agreement between SRTA and DHCL, revising insurance requirements and clarifying responsibilities for the installation and removal of ShastaConnect vehicle wraps;
2. Execute a vehicle lease agreement that allows DHCL to use SRTA-owned vehicles for CTSA and Sunday On-Demand Transit Services; and
3. Authorize the executive director to make minor administrative amendments to the above agreements.

DISCUSSION:

DHCL, under contract with SRTA, provides specialized transportation services, including CTSA services and Sunday On-Demand Transit services. The board of directors approved a draft amendment to the agreement between SRTA and DHCL at the June meeting and authorized the executive director to execute a lease agreement with DHCL for their use of SGR-funded, SRTA-owned vehicles for Sunday On-Demand Transit and CTSA services. Since the June meeting, additional language has been added to the agreements at the request of both agencies' insurance companies and legal counsels. These changes are being brought back before the board of directors for review and approval.

Amendment #1 to the Agreement between SRTA and DHCL:

- Terms specifying responsibility for the installation and removal of ShastaConnect vehicle wraps.

- SRTA's insurance company requires DHCL to have more extensive insurance coverage because they're leasing SRTA-owned vehicles for Sunday On-Demand Transit and CTSA service use. The new requirements are:
  - $1,000,000 general liability insurance per occurrence;
  - $5,000,000 general aggregate liability for personal and bodily injury, including death, and property damage; and
  - $3,000,000 automobile liability (per occurrence) for bodily injury and property damage.

Vehicle Lease Agreement: A draft vehicle lease agreement was not available at the June board of directors meeting. The attached lease agreement spells out the terms of DHCL's use of SRTA-owned vehicles, including maintenance and operations, insurance requirements, maintenance of vehicle records, and SRTA responsibilities.

ALTERNATIVES:
The board of directors may request modifications to the contract amendment or lease agreement, consistent with agency policies and grant program guidelines.

FISCAL IMPACT:
SRTA will lease the vehicles to DHCL at the rate of $1.00 per vehicle per year. There is no other direct fiscal impact to SRTA by approving the staff recommendations.

Daniel S. Little, AICP, Executive Director

Attachments:

A. Amendment #1 to the SRTA-DHCL Contract for Specialized Public Transportation Services
B. Agreement for the Lease of Vehicles for Specialized Public Transportation Services between SRTA and DHCL

AMENDMENT #1 TO THE AGREEMENT FOR THE
PROVISION OF SPECIALIZED PUBLIC TRANSPORTATION SERVICES
BETWEEN THE
SHASTA REGIONAL TRANSPORTATION AGENCY
AND
DIGNITY HEALTH CONNECTED LIVING

This Amendment #1 to the Agreement for the Provision of Specialized Public Transportation Services is entered into between the Shasta Regional Transportation Agency ("SRTA") and Dignity Health Connected Living ("DHCL").

The following sections are hereby modified, replaced or added in their entirety in the Agreement for the Provision of Specialized Public Transportation Services ("Agreement") between SRTA and DHCL , executed on July 1, 2017:

WHEREAS, Sections 19.a. and b. of the Agreement shall be amended and restated as follows:

19. a. DHCL shall provide general liability insurance with a combined single limit of $1,000,000 per occurrence and $5,000,000 general aggregate for personal and bodily injury, including death, and broad form property damage. All such policies shall name SRTA and it's Board of Directors as additional insureds.

b. At all times during the performance of the work under this Agreement, DHCL shall maintain Three Million Dollars ($3,000,000) per occurrence in automobile liability insurance for bodily injury and property damage, including coverage for owned, non-owned, and hired vehicles, in a form and with insurance companies acceptable to SRTA. The automobile liability policy shall name SRTA and its Board of Directors, officers, directors, employees and volunteers as additional insureds. DHCL's insurance shall be primary coverage and any insurance or self-insurance maintained by SRTA shall be excess of DHCL's insurance and shall not contribute with it. DHCL grants to SRTA a waiver of any right of subrogation which any insurer of DHCL may require against SRTA and DHCL agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not DHCL has received a waiver of subrogation endorsement from the insurer.

WHEREAS, a new Section 24 shall be added to the Agreement as follows:

24. <u>Vehicle Wrapping</u>. If DHCL owned vehicles are used in the Sunday On-Demand Transit Service, SRTA may have the vehicles temporarily wrapped (with any designs approved by DHCL) at SRTA's cost and expense. At the conclusion of the Sunday On-Demand Transit Services, or upon termination of the Agreement, SRTA will remove the wrapping at its cost and expense.

WHEREAS, Appendix A is amended as follows:

DHCL shall provide public transportation services that meet the following criteria:

8. The average annual TDA Subsidy per Passenger Trip shall not exceed $19.75, annually increased for inflation. This amount shall be updated periodically. If DHCL costs are above this rate, SRTA will meet with DHCL to review the reasonableness of the standard and either modify the standard or agree on methods and a timeframe for compliance. If the service provider still cannot meet the applicable standard, SRTA will not reimburse above the applicable rate per passenger trip effective upon written notification from SRTA.

17. Per above Section 14 of Appendix A, SRTA and DHCL will initiate a two year Sunday On-Demand Transit Service Demonstration project in FY 2019/20. Performance goals for the Sunday Transit Service Demonstration project are intended to measure service quality and efficiency. These goals are aspirational, not mandatory, but will be used to evaluate whether service should continue beyond the two-year demonstration. The goals are as follows:

a.	Passengers per hour	1.5
b.	Cost Per Vehicle Revenue Hour	$42.58
c.	Average Annual Subsidy per Trip	$11.43
d.	Passengers Per Revenue Mile	0.20
e.	Denied Trips	0
f.	Number of Valid Complaints	0
g.	Number of Missed Trips	0
h.	On-time Performance	90%
i.	Trips Exceeding Maximum Wait Time	Less than 5%
j.	Trips Exceeding Maximum Ride Time	Less than 5%
k.	Seat Utilization	25%

WHEREAS, Appendix B is amended as follows:

DHCL shall be reimbursed for CTSA services as follows:

For ease of administration and to ensure compliance with the provisions of this agreement, DHCL's claim for Transportation Development Act funds shall be remitted directly to SRTA in the SRTA Board of Director's allocation instructions. Reimbursement from SRTA to DHCL will be based on DHCL's monthly invoices of eligible costs. The total reimbursement shall not exceed the SRTA Board of Directors' approved annual allocation. Reimbursement from any other funding sources must first be approved by the SRTA Board of Directors and shall utilize the same monthly invoice process.

The format of DHCL's invoices for approved pilot or demonstration projects shall be determined by SRTA at the time such services are authorized by the SRTA Board of Directors. The format will be relayed to DHCL in writing.

Invoices will not be processed more frequently than monthly, while reimbursement shall not exceed the SRTA Board of Directors' approved service allocation.

DHCL shall be reimbursed for administration and operations of Sunday On-Demand Transit Service Demonstration services, as follows:

DHCL will invoice SRTA for the Sunday On-Demand Transit Services separately from CTSA services and shall utilize the same monthly invoice process. Reimbursement from SRTA to DHCL will be based on eligible administration and operating costs. Total reimbursement shall not exceed the SRTA Boards of Directors approved annual allocation.

All other terms of the Agreement remain unchanged by these amendments.

IN WITNESS WHEREOF, SRTA and DHCL executed this agreement on the day and year set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this agreement and to bind the party on whose behalf his/her execution is made.

Shasta Regional Transportation Agency:

____

Daniel S. Little, AICP, Executive Director

Date:______________________________

____

John Kenny, SRTA Legal Counsel

Date:______________________________

Dignity Health Connected Living:

____________________________________ TAX ID#: 23-7115371

Duly authorized DHCL signatory

Date:______________________________

AGREEMENT FOR THE LEASE OF VEHICLES FOR SPECIALIZED PUBLIC TRANSPORTATION SERVICES
between the
SHASTA REGIONAL TRANSPORTATION AGENCY
and
DIGNITY HEALTH CONNECTED LIVING

THIS AGREEMENT is entered into effective October 1, 2019, between Shasta Regional Transportation Agency (hereinafter "SRTA") and Dignity Health Connected Living (hereinafter "DHCL").

WHEREAS, an Agreement for Provision of Specialized Transportation Services between SRTA and DHCL was executed on July 1, 2017, and ends on June 30, 2022; and

WHEREAS, SRTA owns a fleet of three (3) vehicles and wishes to lease said vehicles to DHCL for the purposes of providing specialized transportation services, Sunday on-demand transit services, and other services agreed upon between SRTA and DHCL;

NOW, THEREFORE, IT IS MUTUALLY AGREED THAT:

1. <u>Scope of Agreement</u>

This Agreement constitutes an agreement between SRTA and DHCL to lease SRTA-owned vehicles to DHCL for operation of services consistent with and subject to the scope and duration of services rendered pursuant to protocols and procedures agreed to between SRTA and DHCL in the Agreement for Provision of Specialized Transportation Services between SRTA and DHCL dated July 1, 2017 ("Specialized Services Agreement") and incorporated herein by reference.

2. <u>Term of Agreement and Extensions</u>

This Agreement shall commence as of the last date signed by the parties hereto and ending June 30, 2022. This agreement may be extended, at the sole option of SRTA, up to an additional five years, at the rate specified in the Agreement.

3. Termination

This Agreement may be terminated by either party by a sixty (60) day written notice to the other party or in accordance with the provisions specified in Section 17 of the Specialized Services Agreement.

4. SRTA Responsibilities

a. SRTA has purchased with funds granted from Caltrans to SRTA to improve and modernize existing consolidated transportation services agency (CTSA) services and other services, three (3) Ford Transit vehicles.

b. SRTA will lease the three (3) Ford Transit vehicles to DHCL from the signing of this agreement to be used by DHCL for providing specialized transportation services pursuant to the Specialized Services Agreement. SRTA may lease additional vehicles owned by SRTA, at its sole option, for the duration of the Agreement.

c. SRTA will lease the three (3) Ford Transit vehicles to DHCL at a rental rate of One Dollar ($1.00) per year per vehicle for the duration of this Agreement. SRTA may lease additional vehicles procured and owned by SRTA, at SRTA's sole option, at the rate of One Dollar ($1.00) per year per vehicle.

d. SRTA shall own and retain title to the vehicles leased under this agreement.

5. DHCL Responsibilities

a. DHCL will lease from SRTA the three (3) Ford Transit vehicles at a rate of One Dollar ($1.00) per year per vehicle for the duration of the Agreement. Initial payment is due upon the effective date of this Agreement and then on July 1 for each year thereafter.

b. The Ford Transit vehicles will be used by DHCL to operate specialized public transportation services, including CTSA services, Sunday on-demand transit services, and any other services requested by SRTA and agreed to by DHCL.

c. The use of said vehicles by DHCL shall be in compliance with the procedures and protocols set forth in the Specialized Services Agreement.

e. DHCL will maintain the vehicles in a manner necessary to provide safe and secure public transportation services and to maintain the operational abilities of the vehicles. DHCL shall pay for and furnish all maintenance and repairs to keep vehicles in good working order and condition.

f. New vehicles leased to DHCL may be equipped with: a first-aid kit, fire extinguisher, visual warning devices, bio-hazard kit, spare tire and wheel, wheelchair securements, occupant restraints, or radio equipment. It is the responsibility of DHCL to ensure that these items, if equipped on the vehicles, are in good working condition and to replace these items as necessary throughout the period of this Agreement. Upon termination of this Agreement all of the said items provided equipped with each vehicle must be in proper working condition.

g. DHCL shall ensure the vehicles are in a clean condition at all times, free from insects and noxious odors, and shall promptly repair or replace any broken, worn, cut, torn, or vandalized components of the vehicles.

h. DHCL is responsible for the storage and security of the vehicles.

i. DHCL is responsible for paying all expenses incurred in the use and operation of the vehicles, including but not limited to, license, registration, and title fees, gasoline, oil, anti-freeze, repairs, maintenance, tires, storage, fines, inspections, assessments, sales or use taxes, if any, and all other taxes as may be imposed by law from time to time arising from DHCL's use and operation of the vehicles.

j DHCL will pay for and maintain insurance on the vehicles as provided in Section 19 of the Agreement for the Provision of Specialized Public Transportation Services.

k. SRTA will pay for and maintain separate insurance on the vehicles if necessary as determined by SRTA to be required as the owner and title holder of the vehicles.

l. In the event the vehicles are involved in an accident, damaged, stolen or destroyed, DHCL shall promptly notify SRTA, in writing, within 24 hours and will also comply with all terms and conditions of the insurance policies. DHCL and SRTA agree to cooperate with each other, and the insurance companies in defending against any claims or actions resulting from DHCL's operation or use of the vehicles. DHCL shall repair or replace vehicles that have been damaged, destroyed, or stolen, up to the amounts received from the insurance companies and/or other parties.

6. Return and Use of Vehicles

a. On expiration of the term of this Agreement or upon termination, DHCL will return the vehicles and all safety equipment in the vehicles to SRTA in good condition, reasonable wear and tear expected.

b. The vehicles shall only be used by DHCL during the term of this Agreement. However, on occasion and when not in use by DHCL, SRTA may request temporary use of a vehicle by submitting a written request to DHCL seven (7) days in advance but in no event less than three (3) days in advance, which must be approved by DHCL, so long as it doesn't impact services being provided by DHCL or cause difficulty for DHCL staff to accommodate. SRTA shall be responsible for any damage caused to the vehicle while in its possession.

7. Signage

The vehicles leased to DHCL will show the SRTA logo, DHCL logo, and/or appropriate vehicle wrap signage or decals as approved by SRTA.

8. Records

a. Vehicle Maintenance Records: DHCL shall maintain an individual file for each vehicle and shall include all vehicle maintenance records required under the laws of the State of California. Vehicle maintenance records shall be subject to inspection by representatives of SRTA and by the California Highway Patrol. Such records include but are not limited to the following:

i. Copies of work orders for all vehicle maintenance activities;

ii. Copies of Preventive Maintenance Schedule reports, including parts and labor utilized;

iii. Originals of the Pre-trip Inspection/Defect reports for each vehicle. Reports containing negative driver notations or a vehicle defect shall become a permanent part of the vehicle file;

iv. Reports of all road call maintenance shall be retained as a permanent part of the vehicle file;

v. All other types of repair work, including parts and labor;

vi. All fuel, fluids, and lubricants used; and

vii. Summary of vehicle maintenance for the month.

All vehicle maintenance records are the property of SRTA.

a. Accident Records: DHCL shall maintain records of any accident and incident (involving persons and/or property) occurring in connection with the provision of services. A copy of the accident report shall be placed in the individual vehicle file. SRTA reserves the right to inspect a vehicle that had previously been involved in an accident before that vehicle is returned to service. Additionally, DHCL shall:

i. Immediately notify SRTA of any accident or incident; and

ii. Provide records relating to any accident or incident to SRTA.

b. Record Maintenance: DHCL agrees to keep and maintain records showing actual time devoted and all costs incurred in the execution of the Agreement for a period of three (3) years from the accepted completion date. Notwithstanding the Audit and Inspection clause, DHCL further agrees to allow access without charge during regular business hours to representatives of SRTA, funding agencies and/or auditors.

c. Ownership of Records and Documents: Originals of all documents pertaining to the work performed under this Agreement shall become the property of SRTA. Copies may be made for DHCL's records but shall not be furnished to others without prior written authorization from SRTA, unless otherwise authorized under this Agreement or required by law.

9. <u>Other Terms and Conditions</u>

All other terms and conditions in the Specialized Services Agreement are incorporated into and shall apply to this Agreement.

10. <u>Notice</u>

Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other party by the party giving such notice, or may be served by certified mail, return receipt requested, to the following addresses:

Shasta Regional Transportation Agency
Attn: Daniel S. Little, AICP, Executive Director
1255 East Street, Suite 202
Redding, CA 96001

Dignity Health Connected Living
Attn: Jennifer Powell, Executive Director
200 Mercy Oaks Drive Redding, CA 96003

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first herein written above:

Shasta Regional Transportation Agency:

____
Daniel S. Little, AICP, Executive Director

____
Date

Dignity Health Connected Living:

_________________________________ TAXID#: 23-7115371
Jennifer Powell, Executive Director

____
Date

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