



REGIONAL TRANSPORTATION COMMISSION

Public Transportation • Streets and Highways • Planning

May 20, 2019

AGENDA ITEM 3.11

TO: Regional Transportation Commission

FROM: Scott Miklos
Trip Reduction Analyst



Lee G. Gibson, AICP
Executive Director

SUBJECT: RTC Vanpool Contractor Agreement Amendment No. 3

RECOMMENDATION

Approve Amendment No. 3 to the RTC Vanpool Agreement with Enterprise for their final one-year option; authorize the RTC Executive Director to execute the agreement.

SUMMARY

The original RTC Vanpool Agreement was awarded to vRide in June of 2015 for three years with two, one-year options. In September 2015, the parties agreed to change the RTC subsidy amount in the original contract (40% of the lease rate of each vehicle) to a fixed-rate structure. Under the fixed-rate structure, RTC provides \$400 for vanpools traveling up to 3,000 miles per month, \$500 for vanpools traveling between 3,001 to 4,000 miles per month, and \$600 for vanpools traveling over 4,000 miles per month.

In the summer of 2017, vRide was purchased by Enterprise who promptly requested a 24% cost increase for the remaining two option years. After meeting with Enterprise, RTC staff negotiated a reduction in their proposed cost increase to 14%. The revised Price Proposal for the two options was approved by the RTC Board in May 2018.

Enterprise has done a great job increasing the vanpool fleet from 144 to 171 in the last year. Enterprise added an additional marketing person and all-wheel drive vehicles to the vanpool fleet. RTC and Enterprise believe we can increase the fleet to 200 vanpools in FY 2020.

FISCAL IMPACT

Funds for the vanpool agreement are included in the draft FY 2020 RTC Budget.

PREVIOUS ACTIONS BY BOARD

May 18, 2018 Approved an amendment to the RTC Vanpool Contractor Agreement increasing the pricing for the two (2) option years and approved the first of two, one-year agreement options, extending the agreement for the term of June 1, 2018 to May 31, 2019; authorized the RTC Executive Director to execute the amendment.

Attachment

AMENDMENT NO. 3
RTC VANPOOL AGREEMENT

The Regional Transportation Commission of Washoe County ("RTC") and Enterprise Leasing Company – West, LLC, formally vRide, Inc. ("Contractor") entered into the RTC Vanpool Contractor Agreement on May 20, 2015 (the "Agreement"). The Agreement was previously amended by Amendment No. 1 dated December 2, 2016, and Amendment No. 2 dated May 31, 2018. This Amendment No. 3 is dated and effective as of June 1, 2019.

WITNESSETH:

WHEREAS, the parties entered into the Agreement for the purpose of having Contractor provide services in connection with the administration of RTC's vanpool program, in exchange for payments by vanpool participants and a monthly subsidy to be provided by RTC;

WHEREAS, pursuant to Section 1 of the Agreement, RTC reserved its rights to change or eliminate the monthly subsidy at its discretion; and

WHEREAS, on September 18, 2015, the RTC Board approved changing the RTC monthly subsidy for the vanpool program from 40% of the lease price to fixed rates of (i) \$400 for vanpools travelling up to 3,000 miles per month; (ii) \$500 for vanpools traveling between 3,001 to 4,000 miles per month; and (iii) \$600 for vanpools traveling over 4,000 miles per month; and

WHEREAS, the term of the Agreement was originally set to expire on May 31, 2018, but RTC has discretion to extend the Agreement for up to two (2) additional one year terms; and

WHEREAS, in Amendment No. 2 the parties agreed to increase the costs to vanpool participants for Option Year 1 and Option Year 2; and

WHEREAS, Amendment No. 2 recited that RTC had exercised its right to extend the Agreement for Option Year 1; and

WHEREAS, the parties have determined that there is a need to specify an overall not-to-exceed amount of subsidy to be provided by RTC for Option Year 2.

NOW, THEREFORE, in consideration of the mutual promises of the parties and other good and valuable consideration, the parties do agree as follows:

1. The price proposal for Option Year 2 is shown in Amendment No. 2.
2. The monthly subsidy to be provided by RTC during Option Year 2 shall be the rates agreed to by the RTC Board on September 18, 2015.

2. The total not-to-exceed amount to be paid to Contractor by RTC as subsidy for the vanpool program for Option Year 2 shall not exceed \$957,000.
2. Contractor will work with RTC's Trip Reduction Analyst to track subsidy usage per month and overall and develop projections to ensure that the total subsidy usage is projected to be less than the annual not-to-exceed amount.
3. If projections show that the total subsidy usage is projected to be more than the annual not-to-exceed amount, Contractor will not offer any subsidy to new vanpool participants. If necessary, as determined in consultation with RTC's Trip Reduction Analyst, Contractor will eliminate subsidy for existing vanpool participants in order of most recent lease date until the total subsidy usage is projected to be less than the annual not-to-exceed amount.
4. The parties acknowledge that RTC hereby exercises its right to extend the Agreement for Option Year 2.
5. That except as amended herein, all of the remaining provisions of the Agreement, as previously amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this amendment on the day and year first above written.


Approved as to Legality and Form:

Dale E. Ferguson, RTC Chief Counsel

Regional Transportation Commission of Washoe
County

By _____
Lee G. Gibson, AICP, Executive Director

Enterprise Leasing Company – West, LLC

By 
Howard Puterman, Vice President/General
Manager/Vice President of Government Relations