TO:       ACHD Commission
FROM:     Maureen Gresham
SUBJECT:  Loaner Program – Interagency Agreement with VRT

Staff Report for (December 14, 2016) Commission Meeting

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**Facts & Findings**

The current Club Red fleet is at 120 vehicles. Based on current demand, only 105 vans are needed to conduct the program and are considered “active”. Active use is defined as either on route, set aside as back-up (used to temporarily replace on route vans receiving maintenance/repairs), or in reserves for potential new demand (15% of current demand). This results in 15 vans that are “inactive”. Inactive is defined as not needed for current demand and not eligible for surplus declaration.

The VRT GoRide programs can use our inactive 13 passenger seat vans. The GoRide program, Mobile Village, provides job access for the refuge community through an operator driven van shuttle service. An added benefit to this program is that it introduces refugees to how a vanpool enabling them to take advantage of Club Red services once they “graduate” from the Mobile Village program.

**Fiscal Impacts:**

Providing inactive Club Red vans for the Mobile Village, and other non-job access related programs, provides a low cost option for VRT to operate their programs and reduces the likelihood that VRT will use additional scarce FTA funds. Both increase the likelihood that funds are available for Commuteride to replace vans or purchase new expansion vans.

Replacement vans are purchased with a combination of Federal Transit Administration (FTA) funds, ACHD General Funds and vanpool fares. Due to changes in national transportation legislation, the availability of federal funds for transit purposes in the urbanized area has decreased while the number of programs competing for those funds, including Club Red, has increased. Additionally, federal regulations require us to reimburse FTA 80% of the fair market value of a surplus van (when valued at $5,000 or more) when sold, donated or transferred. Surplus Club Red vans historically sell at an average price of $10,000. If vans are sold with lower mileage than normal due to not being used for eligible trip purposes, the price increases, therefore increasing the dollar amount reimbursed to FTA.

Further, to keep the inactive vans in good working condition, CR staff starts vans monthly and keeps them running for 20 minutes. This is also done with active vans that are not on route. This requires considerable staff time and increases emissions.
Without a loaner program in place, ACHD Commuteride will incur costs associated with the additional maintenance needed for inactive vans and funding (staff resources and a higher FTA reimbursement).

**Staff Recommendation:**
Staff recommends approval and the President execute the Interagency Agreement with Valley Regional Transit.
PARTIES

THIS AGREEMENT is made and entered into this _________ day of _______________, 2016, by and between the VALLEY REGIONAL TRANSIT, hereafter called VRT and the ADA COUNTY HIGHWAY DISTRICT, hereafter called ACHD.

PURPOSE

ACHD Commuteride operates a vanpool program, Club Red, which provides a smart commute option for Treasure Valley employees whose commute begins, ends, or passes through Ada County. Several of the vans used in this program can be considered inactive, based on current demand. “Inactive” is defined as not needed for current demand and not eligible for surplus declaration. Commuteride proposes a van lease program that allows the transit use of inactive Club Red vans by partner agencies. There are multiple benefits for ACHD including;

• keeping vans in good working condition with regular maintenance,
• keeping the on route Club Red vans in a proper switch rotation,
• protecting the availability of federal funds for capital replacement,
• lowering maintenance costs,
• continuing the goal to reduce vehicle miles traveled on ACHD roadways, and
• demonstrating good regional partnership.

Authority for this Agreement is established by Sections 40-2109, 40-1310, 40-1406, 67-2328, and 67-2332 of the Idaho Code.

The Parties agree as follows:

SECTION I. Duties and Responsibilities:

ACHD

1. Designate vans available for lease that are not in active use, which includes those on route, vans that serve as back-up (10% of fleet), and vans reserved for new routes (15% of fleet).

2. Provide VRT with new van logo reflecting a “brought to you by ACHD Commuteride” message to avoid confusion between the Club Red program and other programs.
1. Only use vans for transit purposes not related to job access (excluding the Mobile Village travel training program), as those are provided through the Club Red program or through a contractor van option.

2. Use each van for the benefit of the Ada County transportation network.

3. Remove existing logo and install new logo provided by ACHD.

4. Provide monthly maintenance records including mileage, service checks, and repair details/costs.

5. Provide monthly trip data, including number of trips, number of passengers, number of “revenue” miles, number of “revenue” hours, and trip purpose.

**SECTION II.** Financial Obligations of the Parties:

1. VRT agrees to pay ACHD Commuteride One Dollar ($1.00) per year for each van in the lease program. In the event that VRT does not use a van for a full year, it shall not be entitled to any proration or refund of said lease payment.

2. VRT covers all costs associated with operating the van during the lease, including insurance, fuel, and maintenance. Maintenance includes regular maintenance service (i.e. oil changes, brakes, etc.), repairs, and cleaning.

3. To the extent allowed by Idaho law, including Article VIII, Section 4 of the Idaho Constitution and the Idaho Tort Claims Act (Idaho Code Title 6, Chapter 9), in the event that either of the parties to this Agreement are alleged to be liable solely as a result of wrongful acts, omissions, or negligence of its elected officials, employees, officers, or agents, said party shall indemnify, defend, and hold harmless the other party, its elected officials, employees, officers, or agents against all liability, claims, loss, costs, and expenses arising out of, or resulting from, the actions of said party. This duty shall extend only to the extent that there are no allegations of wrongful acts, omissions, or negligence of the other party and/or its elected officials, employees, officers, or agents. In such event, each party and/or its insurer shall retain the right to appoint counsel and pay for the costs of defense. For liability, claims, loss, costs, or expenses arising out of wrongful acts, omissions, or negligence occurring during the term of this Agreement, each party’s obligations pursuant to this section shall survive the termination of this Agreement.

4. Each party to this Agreement agrees to carry and maintain a comprehensive general liability policy, or to be self-insured pursuant to the Idaho Code, in the minimum amount of Five Hundred Thousand Dollars ($500,000.00) per occurrence to protect the party from and against any and all claims, losses, actions, and judgments for damages or injury. Each party agrees to maintain any and all other insurance policies or self-insurance required by law.

**SECTION III.** The Parties agree as follows:
1. The effective date of this Agreement shall be immediately after all entities have approved such Agreement and official signatures have been affixed.

2. No party shall assign its interest in whole or in part in this Agreement without the written consent of the other party.

3. This Agreement shall be governed by the laws of the State of Idaho.

4. This Agreement may be amended only by a written instrument signed by each of the parties or an authorized representative of each.

5. Should any portion of this Agreement be found to be unenforceable by a court of competent jurisdiction, such determination shall not void the entire Agreement, but will be limited only to those unenforceable provisions.

6. In the event of any controversy, claim, suit, proceeding, or action being filed or instituted between the parties to enforce the terms and conditions of this Agreement, or arising from the breach of any provision hereof, the prevailing party or parties shall be entitled to receive from the other party or parties all costs, damages, and expenses, including reasonable attorneys' fees including fees on appeal, incurred by the prevailing party or parties. The prevailing party or parties will be that party or parties who was awarded judgment as a result of trial or arbitration.

7. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns.

8. The person(s) executing this Agreement on behalf of each of the parties represent(s) and warrant(s) due authorization to do so on behalf of the respective entity, and that upon execution of this Agreement, the same is binding upon, and shall enure to the benefit of, the parties to this Agreement.

9. Except as provided otherwise herein, this Agreement and any attachments hereto constitute the entire agreement between the parties concerning the subject matter hereof.

10. This Agreement is not intended to create, nor shall it in any way be interpreted or construed to create, any third party beneficiary rights in any person not a party hereto.

11. The parties hereto agree that nothing herein contained shall be construed to create a joint venture, partnership, or other similar relationship which might subject any party to liability for the debts and/or obligations of the others, except as otherwise expressly agreed in this Agreement.

12. Each party to this Agreement shall cooperate fully with the others and execute such further instruments, documents, and agreements and give such further written assurances as may be reasonably requested by the others to better evidence and reflect the transactions described herein and contemplated hereby, and to carry into effect the intents and purposes of this Agreement. The parties shall in all instances cooperate and act in good faith in compliance with the terms, covenants, and conditions of this Agreement, and each shall deal fairly with the other.
13. The terms, covenants, and conditions set forth herein shall survive the termination of this Agreement.

14. Nothing in this Agreement shall be construed to obligate either party to any indebtedness or liability, in any manner, or for any purpose that would be in violation of the yearly debt limitation imposed by Article VIII, Section 3 of the Idaho Constitution.

SECTION IV. Term:

The term of this Agreement shall commence on the effective date and shall continue until terminated by either party, with or without cause, which termination shall be effective following thirty (30) days’ advance written notice of termination given the other party.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed the day, month, and year first set forth above.

VALLEY REGIONAL TRANSIT

____________________________________
By: _________________________________
Its: ___________________________________

ATTEST: ADA COUNTY HIGHWAY DISTRICT

_________________________  ____________________________________
By: Bruce Wong    By: Kent Goldthorpe
Its: Director     Its: President

(Seal)

By regular meeting
on ________________.