
**CITY OF TEMPE
REQUEST FOR COUNCIL ACTION****Council Meeting Date: 01/12/2017
Agenda Item: 5C5**

ACTION: Adopt a resolution authorizing the Mayor to sign an intergovernmental agreement between the Regional Public Transportation Authority and City of Tempe for the lease of the East Valley Bus Operations and Maintenance Facility. (Resolution No. R2017.05)

FISCAL IMPACT: This agreement sets out the terms and conditions under which the Regional Public Transportation Authority will utilize portions of the facility and its obligation to pay Tempe an estimated \$5,017,811 in fiscal year 2016-17 which is its prorated share of facility maintenance, security and utility costs, as well as the cost of consumed natural gas, diesel and unleaded fuel.

RECOMMENDATION: Adopt Resolution No. R2017.05.

BACKGROUND INFORMATION: The City of Tempe and the Regional Public Transportation Authority (RPTA) have the mutual goal of increasing ridership and reducing the cost of transit service through operating a regionalized public transportation system. Essential to effectively operate a regionalized transit system is the efficient use of transit fleet and facilities. This agreement allows RPTA to use a portion of the Tempe owned East Valley Bus Operations and Maintenance Facility (EVBOM) for the purpose of providing local and regional bus service and sets the terms and conditions under which the Regional Public Transportation Authority will occupy and use the facility. Tempe will continue to own, secure and maintain the facility. This lease agreement requires RPTA to pay Tempe an estimated \$5,017,811 in FY 2016-17, which is Tempe's cost for facility maintenance, security and utilities, as well as the cost of natural gas, diesel and unleaded fuel used by the Regional Public Transportation Authority in its operations.

ATTACHMENTS: Resolution and Intergovernmental Agreement

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Department Director: Don Bessler, Public Works Director
Legal review by: Teresa Voss, Assistant City Attorney
Prepared by: Mike Nevarez, Transit Manager