

CITY COUNCIL REPORT



Meeting Date: March 3, 2026
General Plan Element: ***Community Mobility***
General Plan Goal: ***Provide for the safe, efficient, and affordable movement of people and goods***

ACTION

Adopt Resolution No. 13601 to:

- 1) Authorize, approve, and direct the Mayor to execute, on behalf of the City, Contract No. 2026-025-COS (RPTA Contract No. 160-75-2026-00), between the City of Scottsdale and the Regional Public Transportation Authority (RPTA) for transit and paratransit services.
- 2) Authorize the City Manager or his designee to execute any related documents and take such other actions as are necessary to carry out the intent of this resolution and Contract No. 2026-025-COS.

BACKGROUND

The purpose of this action is to approve the Master Transit Services Agreement (Contract No. 160-75-2026-00), also referenced as City Contract No. 2026-025-COS (the "Agreement"), between the City of Scottsdale and the RPTA. The Agreement establishes a five-year framework and is amended annually through an Annual Service Agreement and incorporated schedules to reflect changes in service levels, funding, costs, and revenues. The Agreement provides for transit services for Scottsdale, including regionally funded fixed route bus service, ADA paratransit (Dial-a-Ride), and RideChoice.

The Agreement notes the shift from Proposition 400, which ended on December 31, 2025, to Proposition 479, which starts on January 1, 2026. Rules and guidelines from Proposition 400 will stay in place until July 1, 2026, and the Agreement can be updated to meet new requirements under Proposition 479. Regional fixed route service is paid for with Public Transportation Funds (PTF), and the Agreement includes PTF funding for eligible transit projects and operations, such as bus stop upgrades, local matching funds for replacing circulator vehicles, and support for vehicle management systems (VMS).

ANALYSIS & ASSESSMENT

Policy Implications

Transit supports City Council Critical Objective C: Provide for the safe, efficient, and affordable movement of people and goods.

RESOURCE IMPACTS

Available funding

Fixed route operating services provided under the Agreement are funded through regional Public Transportation Funds (PTF); therefore, no additional local expenditure authority is needed for the regional operating portion of the Agreement. The Annual Service Agreement is developed using budget estimates (including fare revenue, preventive maintenance costs, and paratransit trip volumes) that may fluctuate during the fiscal year and are reconciled after year-end based on actual service provided.

OPTIONS & STAFF RECOMMENDATION

Recommended Approach

Adopt Resolution No. 13601 to:

- 1) Authorize, approve, and direct the Mayor to execute, on behalf of the City, Contract No. 2026-025-COS (RPTA Contract No. 160-75-2026-00), between the City of Scottsdale and the Regional Public Transportation Authority (RPTA) for transit and paratransit services.
- 2) Authorize the City Manager or his designee to execute any related documents and take such other actions as are necessary to carry out the intent of this resolution and Contract No. 2026-025-COS.

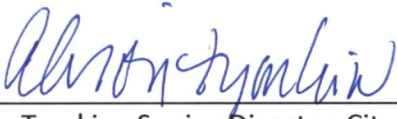
RESPONSIBLE DEPARTMENT(S)

Transportation and Infrastructure Department

STAFF CONTACTS (S)

Nathan Domme, Senior Manager – Transportation Planning and Transit
(480) 312-7630, ndomme@scottsdaleaz.gov

APPROVED BY



Alison Tymkiw, Senior Director-City Engineer,
Transportation and Infrastructure
atymkiw@scottsdaleaz.gov (480) 312-7760


Date

ATTACHMENTS

1. Resolution No. 13601
2. Master Transit Services Agreement (Contract No. 160-75-2026-00), City Contract No. 2026-025-COS (including the FY 2025-26 Annual Service Agreement and incorporated schedules)

RESOLUTION NO. 13601

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, APPROVING CONTRACT NO. 2026-025-COS, AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF SCOTTSDALE AND THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY FOR THE PROVISION OF TRANSIT AND PARATRANSIT SERVICES.

WHEREAS, Arizona Revised Statutes Section 11-952 authorizes public agencies to enter into agreements for services or to jointly exercise any powers common to them, and to enter into agreements with one another for joint or cooperative action.

WHEREAS, Article 1, Section 3-1 of the Charter of the City of Scottsdale authorizes the City to enter into intergovernmental agreements with various public agencies.

WHEREAS, the Regional Public Transportation Authority, a political subdivision of the state of Arizona ("RPTA"), pursuant to previous intergovernmental agreements, has provided and proposes to continue to provide transit services to the City of Scottsdale.

WHEREAS, the City and the RPTA wish to enter into a new Master Transit Services Agreement for transit and paratransit services.

NOW, THEREFORE, LET IT BE RESOLVED by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. The City Council hereby authorizes, approves, and directs the Mayor to execute, on behalf of the City, Contract No. 2026-025-COS, an intergovernmental agreement between the City of Scottsdale and the Regional Public Transportation Authority for the provision of transit and paratransit services.

Section 2. The City Council hereby authorizes, approves, and directs the City Manager or designee to execute such other documents and take such other actions as necessary to carry out the intent of this resolution.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona, this ____ day of _____, 2026.

CITY OF SCOTTSDALE, an
Arizona municipal corporation

ATTEST:

Lisa Borowsky, Mayor

Ben Lane, City Clerk

APPROVED AS TO FORM:

Luis E. Santaella

Luis E. Santaella, Interim City Attorney

By: Lindsay Hampshire, Assistant City Attorney

**MASTER TRANSIT SERVICES AGREEMENT
BETWEEN
THE CITY OF SCOTTSDALE
AND
THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
CONTRACT # 160-75-2026-00**

THIS MASTER TRANSIT SERVICES AGREEMENT ("Agreement") is entered into on this ____ day of _____, 2026, between the City of Scottsdale, a legal entity duly organized and existing under the laws of the State of Arizona ("Member") and the Regional Public Transportation Authority, a political subdivision of the state of Arizona ("RPTA") (collectively "Parties").

RECITALS

WHEREAS, Member has charter authority to provide transit services and charter and statutory authority to enter into agreements with other entities within Maricopa County to provide transit services under A.R.S. Section 11-951, et seq.;

WHEREAS, RPTA is a political subdivision of the state of Arizona, established for the purpose of planning and providing public transportation services under A.R.S. Section 48-5121 and A.R.S. Section 48-5101, et seq.;

WHEREAS, as a political subdivision of the State of Arizona, RPTA "may contract and enter into stipulations of any nature to do all acts necessary and convenient for the full exercise of" its powers granted under A.R.S. Section 48-5101, et seq., including entering into intergovernmental agreements with other governmental entities under A.R.S. Section 11-951, et seq.;

WHEREAS, transit activities are one of those types of activities authorized pursuant to the aforementioned statutory and other authority, and;

WHEREAS, RPTA is willing to provide, and Member is willing to purchase or receive transportation services as detailed in this Agreement.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and considerations contained in this Agreement, it is agreed by the Parties as follows:

SECTION 1. EFFECTIVE DATE

This Agreement shall take effect only after it has been approved by Member's Council, approved by the RPTA Board of Directors, executed by the duly authorized officials of each of the Parties, approved by the Parties' respective counsel, and filed with the Member's Clerk.

SECTION 2. TERM OF AGREEMENT

This Agreement shall be effective for a period of five (5) years from the Effective Date. This Master Agreement shall be amended on an annual basis to accommodate changes in service levels, funding changes, costs and revenues. In addition, the Parties acknowledge that Prop 400 expires December 31, 2025, and Prop 479 takes effect on January 1, 2026. Although Prop 400 Rules, Policies and Guidelines shall remain in effect until July 1, 2026, the Parties acknowledge and agree that this Agreement may have to be amended to accommodate any new Rules, Policies and Guidelines promulgated by the new Prop 479.

SECTION 3. OBLIGATIONS AND SCHEDULING

3.1 The Parties' obligations and program schedules are identified in an **Annual Service Agreement** (Attached to and incorporated as **Attachment A**) and the **Incorporated Schedules**, (Attached to and incorporated as **Attachment B**). Obligations may be related to responsibilities including, but not be limited to, fixed route bus, Dial-a-Ride paratransit brokerage services, or other transit services. The Annual Service Agreement and Incorporated Schedules are designed to be amended annually in coordination with RPTA's adopted fiscal year budget process. The Annual Service Agreement and Incorporated Schedules may be modified as needed and as agreed to in writing by both Parties as provided in this Agreement and any modifications shall be made a part of this Agreement as fully set forth herein. Attachments may include but not be limited to:

Attachment A – ANNUAL SERVICE AMENDMENT

Attachment B – INCORPORATED SCHEDULES

Schedule "A" Regionally Funded Fixed Route Bus Service

Schedule "B" Member Funded Fixed Route Bus Service

Schedule "C" Paratransit Service

Schedule "D" RideChoice Service

Schedule "E" Americans with Disabilities Act (ADA) Public Transportation Fund (PTF)
Capital Projects and Operations Support Public Transportation Fund (PTF)

Schedule "F" ADA Platinum Pass Program

Schedule "G" Place Holder - Park and Ride/Transit Center - N/A

Schedule "H" Place Holder - Various Capital Projects - N/A

Schedule "I" Bus Stop Improvements – N/A

3.2 Within 90 days after the close of each fiscal year, RPTA will conduct an annual program reconciliation to determine the actual number of trips or mileage which are billable to the Member for each program. The reconciliation will occur for all programs, including but not limited to paratransit, RideChoice, and fixed route transit services. RPTA will use this analysis to determine whether Member has overpaid or underpaid based on the service provided. In the event either Party owes the other Party, RPTA will either pay the Member or invoice the Member for the amount due to RPTA within 30 calendar days after acceptance of the final reconciliation by both Parties. In the event underpaid Member shall have 30 days from the date of receipt of the invoice to pay the invoice.

SECTION 4. RECORDS AND AUDIT

Pursuant to A.R.S. Sec. 35-214, all books, accounts, reports, files and other records relating to this Agreement under the custody or control of RPTA or its contractors shall be subject, at all reasonable times, to inspection and audit by Member, FTA, and the City of Phoenix, for five (5) years after completion of this Agreement. Such records shall be produced at RPTA offices when requested by Member.

SECTION 5. COVENANT AGAINST CONTINGENT FEES

The Parties warrant that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of the Member's city council or the RPTA Board of Directors, and no officer, agent, or employee of the Member or RPTA has any interest, financially or otherwise, in this Agreement.

SECTION 6. ALTERATION IN CHARACTER OF WORK

Minor alterations in the character of work shall be authorized in writing by Member and

acknowledged by RPTA by letter.

SECTION 7. TERMINATION AND CHANGES IN SERVICE

7.1 The Parties hereby agree to full performance of the covenants and obligations contained in this Agreement, except that each reserves the right, at its option and sole discretion, to terminate or abandon the service provided for in this Agreement, or any portion thereof.

7.2 Termination of this Agreement may be at any time and for any reason, with or without cause, upon providing ninety (90) calendar days prior written notice. Termination shall be effected by delivery of a notice of termination ("Notice of Termination") specifying the extent to which performance of work under the Agreement is terminated, and the date upon which such termination becomes effective.

7.3 Upon termination, RPTA shall calculate actual expenses incurred up to and including the date of termination and (if termination was at the election of Member) any penalty or costs whatsoever. If Member has paid RPTA sums in excess of the termination costs, RPTA shall refund the excess; if Member has paid RPTA an amount less than the termination costs, then Member shall pay to RPTA an amount equal to the difference between the termination costs and the amount that Member already has paid under this Agreement.

7.4 Upon termination of this Agreement, all property used in connection with this Agreement will be promptly returned to the party holding title thereto, not considering any state or federal funding.

7.5 Final payment shall be made within sixty (60) calendar days after the termination of service.

SECTION 8. AGREEMENT NON-ASSIGNABLE

RPTA may not assign or otherwise transfer any of its rights or obligations hereunder to a third party without the express prior written consent of Member, which may be granted or withheld by Member in its sole and absolute discretion. Any assignment or transfer without such prior written consent shall be void.

SECTION 9. INDEMNIFICATION

9.1 RPTA (as "Indemnitor") agrees to indemnify, defend, and hold harmless Member (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses, including reasonable attorney's fees ("Claims"), but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission,

negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

9.2 RPTA shall require all contractors providing services under this Agreement (each an "Additional Indemnitor") to indemnify, defend, save, and hold harmless Member from and against any and all Claims caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the Additional Indemnitor and persons for whom they are vicariously liable.

SECTION 10. INSURANCE REQUIREMENTS

10.1 RPTA, at its expense, shall maintain in force the required insurance coverage and provisions listed below with insurance companies having a Best's Rating of A-VII or better. RPTA is responsible for paying any deductibles or self-insured retentions and they shall be disclosed on the certificates of insurance. These deductibles or self-insured retentions shall not be applicable with respect to coverage afforded to Member under these policies.

10.2 All coverage shall be evidenced on a certificate of insurance provided to the Member prior to commencement of this contract. Member shall be named as an additional insured on the certificate(s) of insurance and/or formal endorsements and shall provide a waiver of subrogation against Member. Failure of Member to demand such certificates or other evidence of full compliance with these insurance requirements or failure of Member to identify a deficiency from the evidence provided shall not be construed as a waiver of RPTA's obligation to maintain such insurance.

10.3 Each insurance policy shall not be subject to lapse, cancellation, or material change in coverage unless prior written notice is provided to Member.

10.4 RPTA's insurance shall be primary insurance to Member, and any insurance or self-insurance maintained by Member shall not contribute to it.

10.5 RPTA's contracts with any contractors providing service under this Agreement shall specify that all contractors and subcontractors of every tier shall provide at the same minimum limits and coverages as requested by the Member, in amounts not to exceed the coverages required in this Agreement.

10.6 Commercial General Liability. RPTA shall maintain in force the following minimum commercial general liability insurance: \$1,000,000 per occurrence with a \$2,000,000

aggregate for bodily injury, death, and property damage, personal and advertising injury, and products/completed operations.

10.7 Commercial Automobile Liability. RPTA shall maintain the following minimum business auto liability insurance limits: \$1,000,000 combined single limit per accident. Coverage shall be for "any auto," which includes all owned autos, hired and leased autos, and non-owned autos.

10.8 Workers' Compensation and Employers' Liability Insurance. RPTA shall maintain:

10.8.1 Minimum workers' compensation coverages and statutory limits to cover obligations imposed by federal and state statutes having jurisdiction of any contractor's employees engaged in the performance of services; and

10.8.2 Employer's liability insurance of not less than **\$1,000,000** for each accident, **\$1,000,000** for disease for each employee and **\$1,000,000** disease policy limit.

10.9 Excess Liability Insurance Requirements. RPTA shall maintain the minimum limits of excess liability limits over the commercial general liability limits, auto liability limits, and employers' liability limits as required by the State of Arizona's licensing requirements for the service types respective to this Agreement.

SECTION 11. DEFAULT

Either party shall be deemed in default under this Agreement upon the failure of such party to observe or perform any material covenant, condition or agreement on its part to be observed or performed hereunder, and the continuance of such failure for a period of thirty (30) days after written notice by the other party, as required herein. Such notice shall specify the failure and request it be remedied, unless the party giving notice agrees in writing to an extension of the time period prior to its expiration. However, if the failure stated in the notice cannot be corrected within the applicable period, it will not give rise to a default hereunder if corrective action is instituted within the applicable period and diligently pursued until the failure is corrected. In the event of a default hereunder, the non-defaulting party may have a breach of contract claim and remedy against the other in addition to any remedy provided or permitted by law; provided, however, that no remedy that would have the effect of amending any provisions of this Agreement shall become effective without the formal amendment of this Agreement.

SECTION 12. ISSUE RESOLUTION

Any dispute arising out of the interpretation of any provision of this Agreement, any policy matter or the determination of an issue of fact, which dispute is not resolved at staff level, shall be referred to RPTA's Chief Executive Officer and a representative designated by Member. If, after good faith negotiations aimed at reaching an amicable solution, a dispute cannot be resolved to the satisfaction of both parties, the dispute may be brought before a court of competent jurisdiction in Maricopa County, Arizona.

SECTION 13. NOTICE

Any notice, consent or other communication ("Notice") required or permitted under this Agreement shall be in writing and either delivered in person, sent by email as PDF, deposited in the United States mail, postage paid, registered or certified mail, return receipt requested, or deposited with any commercial air courier or express service addresses as follows:

If intended for RPTA:

Regional Public Transportation Authority
Attention: Chief Legal Officer
101 N. 1st Avenue, Suite 1300
Phoenix, AZ 85003.

If intended for Member:

City of Scottsdale
Attention: Senior Transportation Planning Manager
7447 E. Indian School Road, Suite 205
Scottsdale, Arizona 85211-1466

Notice shall be deemed received at the time it is personally served or, on the day it is received by e-mail PDF, on the second day after its deposit with any commercial air courier or express service, if mailed, ten (10) days after the notice is deposited in the United States mail as provided. Any time period stated in a Notice shall be computed from the time the Notice is deemed received. Either Party may change its mailing address, e-mail address or the person to receive notice by notifying the other Party as provided in this Section.

Notice sent by e-mail PDF shall also be sent by regular mail to the recipient at the above address. The requirement for duplicate notice is not intended to change the effective date of the Notice sent by e-mail PDF.

SECTION 14. AMENDMENT

This Agreement and the Annual Service Agreement may be modified or amended only by a written document executed by both RPTA and Member, approved as to form by the Member Attorney, and may be filed with the Member's Clerk. Such document shall expressly state that it is intended by the Parties to amend specifically identified terms and conditions of this Agreement.

SECTION 15. INTEGRATION

This Agreement represents the entire agreement of the parties, and all prior agreements with respect to the subject matter of this Agreement are revoked and superseded by this Agreement, and no representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in other contemporaneous written agreements. This Agreement may not be changed, modified or rescinded except in writing, signed by the Parties, and any attempt at oral modification of this Agreement shall be void and of no effect.

SECTION 16. APPLICABLE LAW AND VENUE

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Arizona. Any litigation between the Parties arising from this Agreement shall be litigated in an appropriate court located in Maricopa County, Arizona.

SECTION 17. NON-WAIVER

No covenant or condition of this Agreement may be waived by any party, unless done so in writing. Forbearance or indulgence by any party in any regard whatsoever shall not constitute a waiver of the covenants or conditions to be performed by the other.

SECTION 18. SEVERABILITY

Any provision of this Agreement that is prohibited or unenforceable under the laws or regulations of the United States of America or the State of Arizona shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

SECTION 19. BENEFIT AND BINDING EFFECT

The terms and provisions of this Agreement shall inure to the benefit of and are binding on RPTA and Member and their respective successors and permitted assigns.

SECTION 20. SURVIVAL

The indemnifications and limitations on liability provided in this Agreement shall have full force and effect notwithstanding any other provisions of this Agreement and shall survive any termination or expiration thereof.

SECTION 21. FURTHER ASSURANCES

The Parties hereto shall execute such other documents and take such other actions as may be reasonably necessary or proper to achieve the intent and purposes hereof.

SECTION 22. CONFLICTS OF INTEREST

The Parties hereto acknowledge that this Agreement is subject to cancellation pursuant to the provisions of Arizona Revised Statutes Sec. 38-511.

SECTION 23. RELATED AGREEMENTS

This Agreement, together with the exhibits, instruments and other documents required to be executed and delivered in connection herewith is intended to be read in conjunction with any and all prior agreements and understandings of the Parties with regard to the subject matter hereof.

SECTION 24. CONSTRUCTION AND INTERPRETATION OF AGREEMENT

This Agreement, and each of its provisions, schedules, attachments, exhibits, terms and conditions, has been reached through negotiations between the Parties. Accordingly, each of the Parties expressly acknowledges and agrees that this Agreement shall not be deemed to have been authored, prepared or drafted by a particular Party, and that the rule of construction that resolves ambiguities against the drafting party shall not be employed in the interpretation of this Agreement.

SECTION 25. THIRD-PARTY BENEFICIARIES

This Agreement is intended to benefit the corporate and municipal interests of RPTA and Member alone, and no other person shall claim any implied right, benefit or interest in such services. The Parties do not intend to create rights in or remedies to any third party as a beneficiary of this Agreement or of any duty, covenant, obligation or undertaking established under this Agreement.

SECTION 26. POLICE POWER

The Parties acknowledge the right vested in Member pursuant to general law to exercise its police power for the protection of the health, safety and welfare of its constituents and their properties. Nothing in this Agreement shall be construed as precluding Member from exercising such powers in connection with the subject matter hereof.

SECTION 27. COMPLIANCE WITH THE IMMIGRATION REFORM AND CONTROL ACT OF 1986 (IRCA) AND A.R.S. SEC. 23-211 THROUGH 23-214

RPTA understands and acknowledges the applicability of IRCA and of Arizona Revised Statutes Sec. 23-211 through 23-214 to this Agreement. RPTA shall comply with IRCA and with

Arizona Revised Statutes Sec. 23-211 through 23-214 in performing under this Agreement. To ensure that RPTA and its subcontractors comply with the provisions of this Section, Member shall have the right to inspect the personnel and related records and papers of RPTA and of its contractors pertaining to individuals performing work under this Agreement. Further, Member is prohibited by Arizona Revised Statute Sec. 41-4401 from awarding an Agreement to any contractor who fails, or whose subcontractors fail, to comply with Arizona Revised Statute Sec. 23-214(A). For this reason, RPTA shall ensure that both it and each of its contractors are following the requirements of Arizona Revised Statute Sec. 23-214(A). In addition, both RPTA and each of RPTA's contractors shall warrant their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with Arizona Revised Statute Sec. 23-214(A). A breach of any of the provisions of this section shall be deemed a material breach of this Agreement and is subject to penalties up to and including termination of the Agreement.

SECTION 28. COMPLIANCE WITH THE E-VERIFY PROGRAM

28.1 Warranty of Compliance. Under the provisions of Arizona Revised Statute Sec. 41-4401, the Parties warrant that they will comply with all Federal immigration laws and regulations that relate to their employees and that each complies with the E-Verify Program under Arizona Revised Statute Sec. 23-214(A).

28.2. Breach of Warranty. A breach of this warranty will be considered a material breach of this Agreement and may subject the breaching party to penalties up to and including termination of this Agreement.

28.3 Right to Inspect. The Parties retain the legal right to inspect the papers of any employee who works under this Agreement or subcontract to provide services under this Agreement to ensure compliance with the warranty made in subsection 28.1 of this Agreement.

28.4 Random Verification. Either party may conduct a random verification of the employment records of the other to ensure compliance with the warranty made in subsection 28.1 of this Agreement.

28.5 Federal Employment Verification Provisions; No Material Breach. Neither party will be considered in material breach of this Agreement if it establishes that it has complied with the employment verification provisions prescribed by 8 USCA Sec. 1324(a) and (b) of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by Arizona Revised Statute Sec. 23-214(A).

28.6 Inclusion of Article in Other Contracts. The provisions of this sections must be included in any contract either party enters into with any and all of its contractors or subcontractors that provide services under this Agreement.

SECTION 29. CIVIL RIGHTS

The Parties agree that as a condition of this Agreement they will each comply with all applicable civil rights laws and regulations, in accordance with applicable Federal directives, except to the extent that the Federal government determines otherwise in writing. These include, but are not limited to, those provisions of Section 12 of that certain United States of America Department of Transportation Federal Transit Administration Master Agreement, dated October 1, 2009, as may be amended from time to time, which provisions are incorporated by reference.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have each executed this Agreement as of the date first set forth above.

REGIONAL PUBLIC TRANSPORTATION AUTHORITY (RPTA)

By: _____
Jessica Mefford-Miller, Chief Executive Officer

APPROVED AS TO FORM:

By: _____
Michael Wawro, Chief Legal Officer

CITY OF SCOTTSDALE

By: _____
Lisa Borowsky, Mayor

ATTEST:

By: _____
Ben Lane, City Clerk

APPROVED AS TO FORM:

By: Lindsay Hampshire
Luis E. Santaella, City Attorney

By: Lindsay Hampshire, Assistant City Attorney

ATTACHMENT A - ANNUAL SERVICE AGREEMENT

The Annual Service Agreement outlines the specific obligations of the Parties and provides the Program Schedules that the Member participates in for Fiscal Year 2026, beginning July 1, 2025, and ending June 30, 2026. The specific obligations will be identified below in Section 1: Member Obligations and Section 2: RPTA Obligations. Section 3: Program Schedules summarizes the Programs that RPTA provides for Member.

SECTION 1. RPTA'S OBLIGATIONS:

1.1 With respect to the services provided in this Agreement, RPTA shall:

1.1.1 Negotiate and coordinate the implementation of operating agreements;

1.1.2 Provide Fixed Route Bus, Dial-a-Ride Paratransit Services, RideChoice services or other transit services, administrative services, equipment, personnel and management services directly or through contractors, as provided in this Agreement. RPTA shall ensure that the contractor(s) are duly qualified, licensed, trained, and have adequate equipment to perform services under this Agreement. RPTA shall provide performance oversight to ensure contractors are fully compliant with contract provisions and performance requirements;

1.1.3 Provide regional marketing and merchandising of regional services in coordination with Member's local marketing and merchandising of local service and projects;

1.1.4 Plan for, prepare changes, and amend service specifications;

1.1.5 Invoice Member on a monthly basis for service(s) provided to Member;

1.1.6 Determine, set, and amend as necessary the fare structure for services provided by RPTA or under contract. Collaborate with Member and coordinate the Non-ADA Fare Structure for services provided by RPTA for Dial-a-Ride Paratransit Services, or under contract;

1.1.7 Convene a steering committee, consisting of representatives from Member, other participating Members, and RPTA to coordinate and monitor service, address service and contractual performance issues, and monitor the adopted service budget(s);

1.1.8 Provide professional staff as necessary to partner with Member to plan for, develop, contract for, monitor, and adjust service;

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Attachment A

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MASTER TRANSIT SERVICES IGA FY2025-26

1.1.9 Provide a customer complaint resolution process;

1.1.10 Provide monthly reports by the 25th day of the following month with the previous month's data on ridership, revenue collected, and applicable performance standards;

1.2 RPTA and Member may conduct service and financial audits, as required, of any services provided in this Agreement.

1.3 RPTA shall provide performance data reports on a monthly basis. The data will be posted on the Valley Metro website at www.valleymetro.org or within its extra-net site. The paratransit reports shall include at a minimum: ADA ridership versus non-ADA ridership; revenue miles operated, as well as performance indicators by which Member and RPTA can evaluate whether the service provider is meeting policies; and service standards. Fixed route bus reports shall include the following monthly performance statistics for Member (all statistics will be reported by route except fuel efficiency and vehicles which will be reported per day): boardings by Member and other members; wheelchair boardings by Member and other members; vehicle revenue miles by Member and other members; operating days by Member; average number of passengers by revenue mile of service; operating costs; passenger revenue by jurisdiction; percentage on-time performance; service Interruptions; vehicle breakdowns; fuel efficiency by fleet type; wheelchair lift/ramp breakdowns; accidents; vehicle accidents; passenger accidents; passenger security incidents; total customer complaints and compliments; and crimes reported.

1.4 RPTA shall provide Member with a detailed written budget estimate for the provision of transit, including the expected sources and amounts of funding for the next fiscal year. If Member approves the budget estimate, RPTA shall prepare an amendment to this Agreement for Member approval.

1.5 When practicable, within 60 minutes of occurrence, RPTA shall notify Member of any transit related collision, fire, major security incident, or media coverage occurring within Member's jurisdiction.

SECTION 2. MEMBER'S OBLIGATIONS:

2.1 With respect to the services provided in this Agreement, Member shall;

2.1.1 Provide RPTA with funding to pay for the services included in this Agreement:

2.1.2 Reimburse RPTA within 30 days for its costs monthly to monitor,

manage, and generally administer the services provided to Member under this Agreement;

2.1.3 Provide funding adequate to finance any additional services added to this Agreement;

2.1.4 Provide for local complaint resolution with citizens of the Member;

2.1.5 At Member's election, participate in all meetings, deliberations, and decisions of any steering committee for services provided in this Agreement;

2.1.6 Provide traffic control and transit priority measures such as turning movements, on Member streets on regular routes for services provided in this Agreement;

2.1.7 Purchase and install bus stop signs and associated amenities;

2.1.8 Provide direction to and partner with RPTA in the preparation and amendment of service plans and levels (i.e. frequency, hours, etc.).

2.2 If the Parties are not able to agree upon renewal terms for the existing Agreement prior to the expiration of the term of the existing Agreement, Member shall make the payments required to be paid under this Agreement on or before July 1st of the new fiscal year and thereafter for a period of one hundred eighty (180) days unless the Parties agree upon renewal terms prior to the expiration of the one hundred eighty (180) day period. For example, if there is a disagreement with the proposed rate for the new fiscal year, or if a renewal agreement is not signed, for any reason, RPTA shall continue providing service at the level provided under the previous year's Agreement and Member shall make payments at the previous year's rate until such time that a new agreement is executed.

2.3 Member does hereby agree to participate in the RPTA program(s) defined in Member's annual agreement.

2.4 Provide a written ninety (90) calendar day notice for major service changes.

2.5 Transit Life Cycle. Member shall comply with all applicable laws, ordinances, regulations and codes of the federal, state and local governments. In performing hereunder, Member shall adhere to RPTA's Transit Life Cycle Program and its approved policies, as they may be amended from time to time, (collectively referred to as the "TLCP").

SECTION 3: SCHEDULES

Section 3 outlines the programs currently provided by RPTA and the attached schedules provide the schedule for each program. If Member does not currently participate in a program,

the schedule will state "Intentionally Omitted." If Member decides to participate in or terminate participation in a program at a later date, Section 3 and Attachment B can be amended, in writing, to ratify the change. The attached schedules may be amended on an annual basis to accommodate changes in service levels, costs, and revenues. The schedules listed below and attached as Exhibit B are incorporated into the Annual Service Agreement.

- | | |
|--------------|--|
| Schedule "A" | Place Holder - Regionally Funded Fixed Route Bus Service |
| Schedule "B" | Place Holder - Member Funded Fixed Route Bus Service |
| Schedule "C" | Place Holder -Paratransit Service |
| Schedule "D" | Place Holder - RideChoice Service |
| Schedule "E" | Place Holder - Americans with Disabilities Act
(ADA) Public Transportation Funds (PTF)
and Capital Projects and Operations Support
Public Transportation Fund (PTF) |
| Schedule "F" | Place Holder - ADA Platinum Pass Program |
| Schedule "G" | Place Holder - Park and Ride/Transit Center |
| Schedule "H" | Place Holder - Various Capital Projects |
| Schedule "I" | Place Holder - Bus Stop Improvements |

ATTACHMENT B – INCORPORATED SCHEDULES**SCHEDULE “A” - REGIONALLY FUNDED FIXED ROUTE BUS SERVICE****Sources of Project Operating Budget**Regionally Funded Fixed Route Bus Service **\$13,166,237.00** (including express)

The above line represents the value of transit service paid for by RPTA to the benefit of Member. The calculation to derive this figure is daily revenue miles of service x number of service days x cost per revenue mile of service.

FY26 Fixed Route Bus EstimateRPTA Operated in the City of Scottsdale
PTF Funded

Funding		PTF					
HASTUS		Scot					
Route	Level	Miles	Gross Cost	Fare	Bus Advertsing	PM	Net Costs
72	W	315,619	\$ 3,418,297	\$ (149,816)	\$ (23,531)	\$ (228,671)	\$ 3,016,280
72	S	47,207	511,305	(22,408)	(3,519)	(34,202)	451,176
72	H	48,572	525,765	(23,056)	(3,621)	(35,191)	463,898
81	W	173,350	1,877,455	(82,284)	(12,924)	(125,594)	1,656,652
81	S	32,866	355,981	(15,601)	(2,450)	(23,812)	314,118
81	H	36,075	390,491	(17,124)	(2,690)	(26,137)	344,542
514	W	7,918	84,023	(3,758)	(590)	(5,737)	73,938
Grand Total		661,605	\$ 7,163,319	\$ (314,046)	\$ (49,326)	\$ (479,343)	\$ 6,320,604

FY26 Fixed Route Bus EstimatePhoenix Operated in the City of Scottsdale
PTF Funded

Funding		PTF				
HASTUS		Scot				
Route*	Level	Annual Miles	Gross Cost	Fares*	Net Cost	
17*	W	69,775	\$ 823,776	\$ (26,392)	\$ 797,384	
17*	S	8,784	103,711	(3,321)	100,390	
17*	H	9,798	115,676	(3,430)	112,246	
29*	W	114,546	1,352,354	(31,299)	1,321,055	
29*	S	11,679	137,887	(3,492)	134,395	
29*	H	13,027	153,797	(3,429)	150,368	
41*	W	70,722	834,954	(22,441)	812,513	
41*	S	9,350	110,386	(3,037)	107,349	
41*	H	10,429	123,123	(2,634)	120,489	
50*	W	108,489	1,075,280	(47,469)	1,027,811	
50*	S	15,978	158,366	(6,654)	151,712	
50*	H	17,273	171,198	(6,093)	165,105	
80*	W	61,105	605,634	(24,191)	581,443	
80*	S	10,581	104,869	(3,499)	101,371	
80*	H	11,802	116,970	(3,374)	113,596	
154*	W	30,136	298,688	(5,380)	293,308	
154*	S	2,892	28,663	(427)	28,236	
154*	H	3,226	31,970	(402)	31,568	
170*	W	53,421	529,474	(25,280)	504,194	
170*	S	9,442	93,587	(3,505)	90,082	
170*	H	10,532	104,386	(3,369)	101,017	
Grand Total		652,985	\$ 7,074,749	\$ (229,116)	\$ 6,845,633	

* Service operated by Phoenix; mileage, costs, fares, federal revenues are all Phoenix data/funds

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SCHEDULE "B" – MEMBER FUNDED FIXED ROUTE BUS SERVICE

INTENTIONALLY OMITTED

SCHEDULE "C" – PARATRANSIT SERVICE

For the period from July 1, 2025, through June 30, 2026, Member will pay RPTA a total of **\$0.00** for the provision of paratransit services. This payment will be broken into monthly installments of **\$0.00**, which shall be due and payable within thirty (30) calendar days of the receipt of an invoice from RPTA. IGA billings will be processed for the full fiscal year based on the above referenced installments. A final invoice will occur once the final recon has been completed after our year end close. This final invoice and payment may be adjusted based on the extent to which the actual cost of service is higher than the budget amount for service.

FY26 Paratransit Service
Funded by City of Scottsdale

	<u>Paratransit</u>
Trips:	
Paratransit Trips	15,859
<u>Total Trips</u>	<u>15,859</u>
Cost:	
Contractor Transportation Cost	\$1,305,501
RPTA Salaries, Fringes & OHD	\$88,449
<u>Total Gross Program Cost</u>	<u>\$1,393,950</u>
 Total Fare Revenue	 (\$59,947)
<u>Total Net Program Cost Before PTF</u>	<u>\$1,334,003</u>
 PTF Balance Available	 \$2,197,715
PTF Applied	\$1,334,003
 Member City Contributions:	
Paratransit Service	\$0
<u>Total Member City Contribution</u>	<u>\$0</u>

Must be eligible residents, ADA certified, and ADA eligible visitors.

SCHEDULE "D" – RIDECHOICE SERVICE

For the period from July 1, 2025 through June 30, 2026, Member will pay RPTA a total of **\$31,434.00** for the provision of fixed route bus services. This payment will be broken into monthly installments of **\$0.00**, which shall be due and payable within thirty (30) calendar days of the receipt of an invoice from RPTA. IGA billings will be processed for the full fiscal year based on the above referenced installments. A final invoice will occur once the final recon has been completed after our year end close. This final invoice and payment may be adjusted based on the extent to which the actual cost of service is higher than the budget amount for service.

FY26 RideChoice Service
Funded by City of Scottsdale

	<u>RideChoice</u>
Trips:	
RideChoice Trips	22,818
Total Trips	22,818
Cost:	
Contractor Transportation Cost	\$963,254
RPTA Salaries, Fringes & OHD	\$56,633
Total Gross Program Cost	\$1,019,887
Total Fare Revenue	(\$75,527)
Federal Funding	(\$80,648)
Total Net Program Cost before PTF	\$863,712
PTF Balance Available	\$863,712
PTF Applied	\$863,712
Member City Contributions:	
RideChoice Costs	\$0
Total Member City Contribution	\$0

Must be eligible residents of Incorporated Scottsdale who are ADA certified

**SCHEDULE "E" – AMERICANS WITH DISABILITIES ACT (ADA)
PUBLIC TRANSPORTATION FUNDS (PTF)**

For the period July 1, 2025, to June 30, 2026, the maximum amount of Public Transportation Funds ("PTF") available to Member is **\$2,197,715.00**. This amount is only applicable to ADA. The ADA PTF will pay actual costs for ADA trips and other requests for paratransit service made by ADA certified Riders up to the maximum amount. A final reconciliation at fiscal year-end will be performed and adjustments, if necessary, will be made using actual ADA eligible costs.

Any remaining ADA PTF funds not used up to the maximum reimbursements may be requested by Member for other ADA certified rider eligible expenses and certified by Member's Chief Financial Officer or designee. RPTA will reimburse Member within thirty (30) business days based upon availability of funds. Member may request that reimbursements be made electronically. Wire transfers must be pre-arranged through the RPTA Finance Department.

Maximum amount: **\$2,197,715.00**

**SCHEDULE "E" – Cont. CAPITAL PROJECTS AND OPERATIONS SUPPORT–
PUBLIC TRANSPORTATION FUNDS (PTF)**

For the period July 1, 2025 to June 30, 2026, the maximum amount of Public Transportation Funds (PTF) available for the City of Scottsdale for the items listed below is **\$3,243,333**. RPTA will use the Capital Projects and Operations Support PTF to pay actual costs for bus stops and other transit-related capital projects, bus replacements, and vehicle management system operations support on a reimbursement basis. In order to receive a payment of PTF, the City shall submit a PTF Reimbursement Expenditure Request form with supporting documentation of eligible expenditures. A final reconciliation at fiscal year-end will be performed and adjustments, if necessary, will be made using the actual eligible costs.

Any remaining PTF funds not used up to the maximum reimbursements may be requested by the City for other eligible expenses. The City's chief financial officer or designee must certify what additional expenses qualify for payment from remaining PTF funds. RPTA will credit or transfer PTF to the City based upon availability of funds. The city may request that reimbursements be made electronically. Wire transfers must be pre-arranged through the RPTA Finance Department.

- \$1,533,333 for bus stops and other transit-related capital projects
- \$1,560,000 for 13 (circulator) bus replacements
- \$150,000 for vehicle management system (VMS) operations support costs

Maximum amount: **\$3,243,333**

SCHEDULE “F” –ADA PLATINUM PASS PROGRAM

The ADA Platinum Pass Program is designed to encourage people with disabilities to use Valley Metro’s accessible bus and light rail services rather than ADA paratransit whenever they are able to do so. The program enables any ADA paratransit eligible resident of a participating community to use an unlimited amount of bus and light rail service, using a Platinum Pass which is provided by RPTA. This program is funded entirely with regional Public Transportation Funds (“PTF”), so there is no cost to the rider or to the participating community.

Member agrees to participate in the RPTA ADA Platinum Pass Program specified in this schedule. The Platinum Pass Program allows ADA certified customers to travel on fixed-route services at no cost to the customer. PTF funds 100 percent of the fare due (reduced fare for local service; full fare for express service) and will be allocated as a regional service without allocation to the Member or subregional jurisdictional equity, if applicable. Participation in the ADA Platinum Pass Program is voluntary by Member and may be cancelled by Member by providing a ninety (90) calendar day written notice to RPTA. This program is designed to encourage ADA certified individuals to use fixed-route service for a trip whenever possible, in lieu of a traditional paratransit trip. This program provides cost avoidance for both the participating city and the customer. Each eligible ADA certified passenger that opts to participate will receive a reduced fare ADA Platinum Pass to be used at rail fare vending machines and at bus fare boxes for the payment of fare, as defined by the Valley Metro RPTA Board approved fare policy in effect. Current fare information can be found at http://www.valleymetro.org/paying_your_fare/fare_options/.

SCHEDULE'S "G" - "H"
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