



April 17, 2014

To: Fox Cities Transit Commission

From: Deborah Wetter
General Manager

Subject: Approval to Exercise Remainder of Second Option Year of the Agreement with Running, Inc. to Provide Connector Service

Valley Transit has had an agreement with Running, Inc. to provide Connector service since April 2009. The original contract was for three years, April 2009 through April 2012 with two option years. In March, 2012, the Transit Commission approved a four month extension and in July approved a second four month extension to allow Valley Transit time to work through the process of purchasing fuel for Running, Inc. vehicles. The first option year was exercised for January - December 2013. In December 2013, the Transit Commission approved only a four month extension to the Connector contract through April 2014 due to the uncertainty of funding for the Connector for the full year.

Valley Transit staff met with United Way Fox Cities staff and developed a plan to raise the additional funding needed to allow the Connector to continue to operate. The plan includes: 1) asking the Transit Commission to approve a \$1.00 fare increase for Connector trips effective June 15, 2014, 2) United Way approaching several companies with the request that they assist in the funding of The Connector, and 3) requests to all Valley Transit municipal funding partners that they contribute a portion of the money being returned to them for 2013 due to Valley Transit expenses being less than was budgeted that year. If additional revenues do not become available as expected, Valley Transit staff would come back to the Transit Commission with the request that some or all of the Connector service be discontinued. Running, Inc. understands the issues and has agreed to provide Connector service through the rest of Option Year 2 or as long as there is funding for the service, whichever comes first.

All other terms and conditions of the Running, Inc. Connector agreement and prior amendments will remain in effect for the remainder of the term of the option year which runs from May 1, 2014 through December 31, 2014.

Recommendation: Approve exercising the remainder of the second option year with Running, Inc. to provide Connector services through December 31, 2014 contingent on funding being available to fund the service.