



HISTORIC
FRANKLIN
TENNESSEE

ITEM #18
WRKS 06/08/2010

MEMORANDUM

June 8, 2010

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Erin Reinders, Long Range Planning Supervisor
Kristen Corn, Staff Attorney

SUBJECT: Acknowledgement of Amendment to Agreement for the Purchase of Transit Services between the Franklin Transit Authority and the Transportation Management Association Group

Purpose

The purpose of this memorandum is to provide information to the Board of Mayor and Aldermen (BOMA) regarding an amendment to the contract between the Franklin Transit Authority and The TMA Group.

Background

Upon review of the Agreement for the Purchase of Transit Services between the Franklin Transit Authority and The Transportation Management Association (TMA) Group, the TMA Group staff noticed a reference to the City's CIP (now known as Capital Investment Committee). It stated that all capital expenditures (namely, vehicle purchases) were to be approved through the City's CIP. However, the City's CIP does not include vehicle purchases and is inapplicable to this Agreement. Further, the Resolution which created the Franklin Transit Authority gives the Authority the power to purchase vehicles and necessary buildings and to contract for day-to-day operation of the transportation system.

The TMA staff met with City of Franklin legal staff, who in turn discussed the issue with Todd Moore, the TMA's attorney. The two legal teams recommended an amendment to remove language regarding CIP, as it was inapplicable. Both the Franklin Transit Authority and The TMA Board have approved this amendment. A copy of the signed amendment is provided to you for informational purposes.

Financial Impact

No financial impact is anticipated.

Recommendation

There is no action to be taken by the Board.

**AMENDMENT TO
AGREEMENT FOR THE PURCHASE OF TRANSIT SERVICES**

THIS AMENDMENT is to the AGREEMENT made and entered into on the 28th day of MAY, 2010, by and between the FRANKLIN TRANSIT AUTHORITY ("FTA") and THE TRANSPORTATION MANAGEMENT ASSOCIATION GROUP, a non-profit 501(c)(3) organization ("Contractor").

WHEREAS, the parties wish to amend certain terms of the Agreement relative to approval of Capital Expenditures to bring the Agreement in conformance with current practice;

NOW, THEREFORE, the parties AGREE as follows:

1. Section 11.4 of the Agreement shall be amended to read as follows:

Section 11.4. Capital Expenditures.

A. Capital Expenditures. Capital Expenditures for purposes of this Agreement shall be defined as expenditures in excess of \$25,000 for the purpose of acquiring or improving real property, buildings or equipment.

B. Prior Approval of Capital Expenditures Required. Notwithstanding the availability of funds in the Approved Budget, Contractor shall not make, or become obligated to make, any Capital Expenditure in excess of \$25,000 for any single item without first obtaining the approval of FTA pursuant to this subsection. Any such Capital Expenditure made or obligated without such prior approval shall be the sole responsibility of Contractor and no payment under this Agreement shall be sought or made with respect to such Capital Expenditure.

C. Approval Procedures. Except in cases of emergency, approval for Capital Expenditures shall be requested by Contractor in writing. Such requests shall be made as far as possible in advance of the date when Contractor desires to make or to become obligated for such Capital Expenditures. Such request shall describe the purpose of the Capital Expenditure and the necessity therefore with particularity. After receiving all information that it deems necessary to evaluate any such request and the available funding options, FTA shall approve or disapprove the request in writing. In any case of emergency where delay of a Capital Expenditure that could not have reasonably been foreseen would result in an unacceptable interference with or disruption of Transportation Services or Other Services or would create a threat of personal injury or property damage, Contractor may request FTA approval by telephone, followed by a confirming written request. FTA shall respond to such requests as soon as reasonably feasible.

2. This AMENDMENT, together with the AGREEMENT, constitutes the entire agreement between the parties and supersedes any prior or contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding the subject matter of this AMENDMENT. The terms and conditions of this AMENDMENT may not be changed except by a separate amendment expressly referencing this AMENDMENT and signed by an authorized representative of each party.

In WITNESS WHEREOF, the parties hereto have caused this Agreement to be made, effective and executed as of the 28th day of MAY, 2010, by their respective authorized officials.

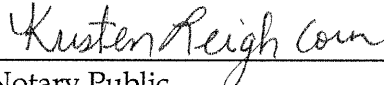


Franklin Transit Authority, Chairman

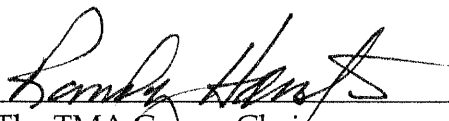
STATE OF TENNESSEE)
COUNTY OF WILLIAMSON)



Personally appeared before me, Preston Elliott, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who, after being first duly sworn, acknowledged himself to be the **Chairman of the Franklin Transit Authority**, and that as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained.




Notary Public
My Commission expires: 10/22/2011



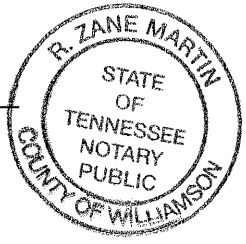
The TMA Group, Chairman

STATE OF TENNESSEE)
COUNTY OF WILLIAMSON)

Personally appeared before me, Randy Houston with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who, after being first duly sworn, acknowledged ~~himself~~ ^{herself} to be the **Chairman of The TMA Group**, and that as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained.



Notary Public
My Commission expires: 09 | 15 | 2013



Attest:

Eric Stuckey, City Administrator
City of Franklin, TN

John Schroer, Mayor
City of Franklin, TN