



City of Maricopa

Legislation Text

File #: CON 16-20, **Version:** 1

The Mayor and City Council shall discuss and take action on a request for Consent To Assignment Of Services Agreement for Transit Services. Discussion and Action.

This item requests Mayor and Council Consent to Assignment of Services Agreement from Valutrans (Assignor) to Total Transit Enterprises (Assignee). Here is the background: The Mayor and Council entered into an agreement with Total Transit Inc. on Sep 2, 2014 to provide city transit services. On October 2014, the council approved a Consent to Assignment of the Agreement to Valutrans for insurance purposes. On September 15, 2015, the Mayor and Council approved the First Amendment to the Agreement which extended the term of the Agreement to September 30, 2017. Pursuant to the Agreement, neither party may assign or transfer such party's rights or obligations under the Agreement without the prior written consent of the other party.

This is the specific reason for this agenda item: Valutrans is restructuring. Valutrans owns Discount Cab, a taxi provider, and Total Transit, a public transit provider. Discount Cab is expanding into the medical transport business. Valutrans doesn't want the public transportation side of their business exposed to the unique liability associated with medical transport services. So Valutrans created Veyo, LLC, a medical transport company, and created Total Transit Enterprises, LLC (the Assignee in this action and the company assuming responsibility for Maricopa's transit service).

This item is presented by Martin Scribner, Development Services Director, and David R. Maestas, Transportation/Transit Planner.

Staff recommends that the Mayor and Council discuss and approve the Consent To Assignment of Services Agreement for Transit Services from Valutrans Holding to Total Transit Enterprises, LLC.