

**AGREEMENT BETWEEN**  
**RHODE ISLAND DEPARTMENT OF TRANSPORTATION**  
**RHODE ISLAND DEPARTMENT OF ADMINISTRATION**

*and the*

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

**March 2005**

This AGREEMENT, executed the \_\_\_\_ day of March 2005, by and between the Rhode Island Department of Transportation, hereinafter referred to as "RIDOT"; the Rhode Island Department of Administration, hereinafter referred to as "RIDOA", and the Rhode Island Public Transit Authority, a legally constituted body corporate and politic established under Rhode Island General Law Chapter 39-18, hereinafter referred to as "RIPTA".

WHEREAS, RIDOT is responsible to assure that the State meets its current and future transportation needs through the integration of various modes of transportation into a single, coordinated system, and

WHEREAS, the provision of mass transit services is an integral component of the total State transportation system, and

WHEREAS, RIPTA is authorized under Rhode Island General Laws Chapter 39-18 to own and operate a mass motor bus transportation system and is authorized and empowered to acquire and hold and dispose of any property; to fix from time to time schedules and rates of fare and charges for service furnished or operated; to borrow money; to enter into management contracts for the operation of mass transit service; and to do any other matter relevant to the fulfillment of its legislative mandate, and

WHEREAS, RIDOA is charged with the preparation and execution of the State's annual financial plan (annual operating and capital), and

WHEREAS, state funds granted and appropriated to RIPTA pursuant to 39-18-22 of the Rhode Island General laws of 1956, as amended, shall be administered by RIDOT in accordance with procedures established by RIDOT and RIDOA, and

WHEREAS, each party is required to enter into an annual Agreement, pursuant to 39-18-22 of the Rhode Island General Laws of 1956, as amended.

NOW THEREFORE, the parties hereto agree as follows:

1. Terms of Agreement:

This agreement shall go into effect upon execution by all of the parties and shall remain in effect from year to year unless terminated in writing by any of the parties.

2. Notice of Changes in Rates of Fare, Routes, Schedules and Service Delivery:

RIPTA agrees to provide 45 days advance written notice to RIDOT and RIDOA of any proposed increases or decreases in its fare structure, routes and schedules, or Board policy affecting RIPTA's budget. This notice will include documentation of the impact the changes will have on the RIPTA's annual budget and on RIPTA's operations.

3. Federal Transit Funds:

RIDOA and RIDOT recognize that RIPTA has been designated as a direct recipient of Federal Transit Administration Funding and may receive federal grant funds directly. RIPTA agrees to meet all federal requirements concerning receipt of these funds.

4. Audit Procedures:

RIPTA shall, at its expense, cause to be prepared and delivered to the RIDOT an audit performed in accordance with the specifications approved by the Auditor General and OMB Circular A-133.

5. Operating Budget:

RIPTA shall submit to RIDOT a proposed operating budget for each fiscal year (e.g., July 1- June 30) with sufficient time for RIDOT review prior to consideration by the RIPTA Board of Directors. RIDOT shall review the budget and shall address any comments prior to/or at the RIPTA Board of Directors meeting on the budget.

The proposed annual budget shall include the following:

- (1) Report of actual expenditures and revenues for two prior years,
- (2) Anticipated expenditures and revenues for budget year based on availability of Federal funds and RIPTA's ability to generate revenue.

Following approval of the budget by the RIPTA Board of Directors, RIPTA's annual budget shall become a part of RIDOT's budget submitted to the Budget Office.

Within sixty (60) days after the end of each month RIPTA shall furnish to RIDOT a financial statement setting forth the results of RIPTA's fiscal operations for said month and consolidated for RIPTA's fiscal year to date. This requirement may be met by providing RIDOT with the financial reports submitted monthly to the RIPTA Board of Directors.

6. Payments - Operating Assistance:

RIPTA shall draw down State gas tax funds as they are made available by the State Controller and are necessary to meet operating expenses.

RIPTA agrees to submit to RIDOT, once every three (3) years, a proposed five-year operating plan. The plan shall include all operating expenditures anticipated over the next five years and the anticipated revenues, from all sources, to meet projected expenditures.

**7. Capital Development Plan:**

RIPTA agrees to prepare and submit to the Budget Office an annual six-year capital development plan which addresses all capital expenditures anticipated over the next six years. The plan shall be submitted by the date established by the State Budget Office for submission of Capital Budget Requests by State Agencies. The submission shall be in the format as required by the State Budget Office.

RIPTA agrees to conform to the State Purchasing Act (RIGL Section 37-2-1 et seq.). RIPTA agrees to maintain its property and equipment in good operating condition and maintain proper preventive maintenance schedule for all capital equipment, including but not limited to buses and rolling stock, in accordance with the terms of contractual agreements for capital grants executed between RIDOT and FTA.

**8. Notice**

The parties hereby agree that all information and correspondence pertaining to this Agreement shall be addressed to each of the parties as follows:

**Rhode Island Department of Transportation**

Director  
Two Capitol Hill, Room 210  
Providence, RI 02903

**Rhode Island Department of Administration**

Director  
One Capitol Hill  
Providence, RI 02908

Budget Officer  
One Capitol Hill  
Providence, RI 02908

**Rhode Island Public Transit Authority**

General Manager  
265 Melrose Street  
Providence, RI 02907

The parties hereto may, from time to time, designate in writing alternative addresses to which such notices are to be sent in lieu of the above listed addresses.

**9. Entire Agreement:**

The terms and provisions herein contained constitute the entire agreement between the parties and shall supersede all previous communications, representations, or agreements,

either oral or written, between the parties hereto, with respect to the subject matter hereof; and no agreement or understanding varying or extending the same shall be binding upon any party hereto unless in writing signed by each party hereto; and nothing contained in the terms or provisions of the Agreement shall be construed as waiving any of the rights of the RIDOT and RIDOA under the laws of the State of Rhode Island. Nothing contained in this Agreement shall be construed as an agreement by the RIDOT and RIDOA to directly obligate the State to creditors or employees of RIPTA.

10. Amendments and Modifications:

This agreement constitutes the entire agreement among the parties with respect to the matters addressed herein and may not be amended or modified unless such amendment or modification is in writing, signed by each of the Parties hereto.

11. Applicable Law:

This Agreement shall be governed, interpreted, and construed under and in accordance with the General Laws of the State of Rhode Island.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the day and year indicated:

WITNESS:

**Rhode Island Department of Transportation**

By: James R. Capaldi, P.E., Director:

Date:

*James R. Capaldi*  
2-28-05

**Rhode Island Public Transit Authority**

By: Alfred Moscola, General Manager:

Date:

*Alfred J. Moscola*  
2/25/05

**Rhode Island Department of Administration**

By: Beverly E. Najarian, Director:

Date:

*Beverly E. Najarian*  
3/10/05