

**Department of Public Works**

City Hall  
730 Washington Avenue  
Racine, WI 53403



John C. Rooney, P.E.  
Commissioner of Public Works/City Engineer

Thomas M. Eeg, P.E.  
Asst. Comm. of Public Works/Operations

Ara P. Molitor, P.E.  
City Engineer

May 25, 2021

Legistar Item:

To: Alder Mollie Jones, Chair  
Public Works and Services Committee

From: Michael J. Maierle  
Transit and Parking System Manager

Re: Communication from Alder Jung on behalf of the Transit and Parking System Manager and the City Attorney presenting a Consent and Novation Agreement assigning rights and obligations under the existing transit management agreement with the City of Racine from First Transit, Inc., to FirstGroup Management, Inc.

Assigning rights and obligations under the existing contract with First Transit, Inc. to FirstGroup Management, Inc. will facilitate the sale of First Transit, Inc.

No interruption in transit management services is anticipated under this novation agreement. Under the current contract the City will need to procure a new provider of transit management services at the end of this contract period on January 31, 2022.

The novation agreement has been reviewed by the city attorney. Particular attention has been paid to FirstGroup Management, Inc. agreeing to adopt the settlement agreement entered into by First Transit, Inc.; the City of Racine; and, the Central States, Southeast and Southwest Areas Pension Fund.

We recommend that the Mayor and City Clerk be authorized and directed to execute the Consent and Novation Agreement.

There is no fiscal impact.

MJM

cc: John Rooney  
Ara Molitor  
Randy Eschmann  
Monica Santos