

The County Connection

Inter Office Memo

To: Board of Directors
From: Bill Churchill, Director of Transportation

Date: April 13, 2011
Reviewed By: *Stuck*

SUBJECT: Contract Extension with First Transit for LINK Paratransit Services in FY 2011-12

SUMMARY OF ISSUES:

First Transit entered into an Agreement with CCCTA on May 21, 2009 for a two year period to provide complementary paratransit services for both CCCTA and BART, with two one-year extensions available. This agreement will expire on June 31, 2011.

First Transit has agreed to a one year contract extension with no increase to the fixed and hourly rates beginning July 1, 2011 and ending June 31, 2012. This contract extension includes an increase to the fuel cap of \$3.50 to \$4.00.

RECOMMENDATIONS:

The O&S Committee and staff recommends extension of the Agreement with First Transit for one year beginning July 1, 2011 and ending June 31, 2012.

FINANCIAL IMPLICATIONS:

The proposed extension of purchased Paratransit services assumes no increase to the fixed and hourly rates but does include an increase in the fuel cap from \$3.50 per gallon to \$4.00 per gallon. Worst case cost impact to CCCTA is estimated at \$110,000 if cost of fuel remained over \$4.00 per gallon for the entire 2012 fiscal year.

OPTIONS:

1. Approve staff recommendation
2. Direct Staff to go to bid on a contract for Paratransit services
3. Other action as determined by the Board of Directors

ACTION REQUESTED:

The O&S Committee and staff recommends the Board of Directors approve resolution 2011-013 authorizing the General Manager to enter into an agreement with First Transit for the provision of Paratransit Services and BART ADA services as described in this memo for period covering July 1, 2011 through June 31, 2012.

ATTACHMENTS:

None

ADDITIONAL INFORMATION:

The O&S Committee has extensively reviewed offering First Transit the opportunity of a contract extension. The committee received a presentation from First Transit staff detailing the contractors performance as well as a detailed question and answer session allowing the committee greater insight regarding First Transits performance. First Transit has performed well in providing Paratransit services to CCCTA and BART. Agency vehicles are well maintained and the contractor has proven to be responsive to our customers transportation needs. First Transit has continued with success to manage the CCCTA "No Show" policy while maintaining a high level of customer satisfaction. Furthermore, First Transit staff has been highly responsive in meeting Agency reporting requirements as well as gracefully accepting service changes such as the elimination of route 8 services.

First Transit has been very sensitive to the financial strain that CCCTA has been contending with, therefore, they have agreed to a one year contract extension with no increases to the fixed and hourly rates for purchased paratransit services. First Transit has requested a change in the cap for purchasing fuel. Under the existing contract CCCTA pays the full amount of the fuel costs up to a cap of \$3.50 per gallon. Any portion of fuel expense in excess of \$3.50 per gallon is absorbed by First Transit. In order keep the fixed and hourly rates constant First Transit has requested the fuel cap to be modified to \$4.00 per gallon. Although fuel cost has remained under the current cap future fuel costs are expected to be somewhat volatile. Given First Transit willingness to keep all other costs static, staff believes this is a reasonable request. If the cost for fuel was equal to or exceeded the \$4.00 per gallon cap for the entire FY 2012 year (the worst case scenario) CCCTA would incur an increase of fuel expense for ADA paratransit services of \$110.00.