

To: Administration and Finance Committee

Date: 01/27/2021

From: Rashida Kamara, Director of ADA

Reviewed By: *W.C.*

SUBJECT: One Year Extension of the Paratransit Service Contract with Transdev

Background

The current contract with Transdev to provide ADA Paratransit services and maintenance will expire June 30th 2021. This contract was for only two years but fortunately allows for three one-year extensions. If exercised, this would be the first of three potential extensions allowed under the existing contract.

Transdev brought in new technology, innovation, improved service and most importantly an invaluable partnership during the COVID-19 pandemic which has devastated the country. Transdev consistently improved on-time performance, reduced complaints and improved productivity. In addition, when Contra Costa County's Emergency Operations Center (EOC) requested support from County Connection, Transdev stepped up providing transportation to COVID positive passengers and homeless individuals. They also provided valuable services for vulnerable seniors who were unable to leave their homes by delivering the food for the meals on wheels program and desperately needed nutritional meals to students who were unable to go to school.

As a result of the aforementioned performance and partnership, staff believes Transdev has performed beyond expectations and has significantly enhanced and improved the quality of life for many individuals in the communities we serve.

New Contract Rate Request

Transdev has formally requested a rate increase to the hourly and fixed contract rates resulting in an increase to the cost of the contract of 2.65%. Following several meetings with Transdev, staff felt the rate increase was justified and well within budgetary expectations. Transdev's rate increase includes an additional Road Supervisor to monitor services and an increase in operator wages. It is important to note that Transdev is in negotiations with the ATU Local 1605 and the incremental increase that will go towards better health care coverages that have been asked for by the ATU are included. Since Transdev has managed to keep a working driver force, pivot on different service modes and ramp up safety and training protocols associated with COVID-19, staff believes the cost increase is reasonable.

Financial Impact

If the rate increase is approved the new hourly rate would be \$50.56 per service hour compared to \$49.53 per service hour today and the new fixed rate will be \$153,094.65 as compared to \$146,515.00 today. Based on a pre-COVID service hour projections of 111,297 the contract extension will not exceed \$7,464,089. As a reminder, fuel is a pass-through expense not included in the Transdev fixed or variable rates. Staff estimates next years fuel expense to be approximately \$780,000 using pre-COVID service levels. However, since County Connection continues to operate significantly diminished service due to COVID-19, staff does not anticipate that we will meet these cost projections. The requested rate increase will be within budgetary expectations.

Staff Recommendation

Staff recommends that County Connection extend the current contract with Transdev for the provision of LINK service with a 2.65% increase in total expenses not to exceed \$7,464,089. Staff further recommends that all of the terms and conditions remain the same, except for where the contract is amended due to COVID-19 Pandemic conditions.

Options

1. Send staff recommendation to the Board of Directors in the form of a Resolution.
2. Decline staff recommendation and go out to bid.
3. Take other action as determined.

Action Requested

Staff respectfully requests the Committee to act on option 1 listed above.