



CONTRACT EXTENSION WITH MV TRANSPORTATION FOR ADA PARATRANSIT SERVICES AND OAKMONT DEVIATED FIXED-ROUTE SERVICE

City Council Meeting
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CURRENT

- Santa Rosa CityBus contracts for ADA paratransit services within the City of Santa Rosa and for deviated fixed route service in Oakmont
- The Agreement with the current contractor provides for two one-year options to extend
- The current contractor remains responsive in delivering quality CityBus paratransit services and meeting performance standards

CURRENT

- Contractor approached City to renegotiate pricing for option years to increase employee wages and benefits due to ongoing recruitment and retention challenges
- In June 2018, Council approved a 90-day extension to the agreement to enable Transit staff to conduct further market research and negotiate with the contractor

FINDINGS

- Wages for the Santa Rosa paratransit contract are lower than those in several comparable areas, and average wages have declined due to loss of experienced drivers.
- During contract to date, CityBus operator starting wage has increased to \$22.98/hour, compared with \$15.50/hour for paratransit operators.
- City has had \$180,000 in savings in the contract to date based on lower hours operated than anticipated.

PROPOSED

- Exercise option years to extend the contract with MV Transportation through September 28th, 2020
- Increase the compensation payable to Contractor by \$2,718,051
- Increased compensation of approx. \$116,000 in Year 4 and \$143,000 in Year 5 to pay for phased increase of wage scale and additional employer contribution to healthcare premium

PROPOSED

- Cost sharing for additional share of employees' healthcare premium if employee participation exceeds 50%
- One-year suspension of liquidated damages provision related to driver availability

BENEFITS

- Maintains paratransit service as required by the Americans with Disabilities Act (ADA) for individuals living with a disability, and Oakmont deviated fixed-route service
- Maintains current quality of service to the public
- Provides for improved wages and benefits to address ongoing employee recruitment and retention challenges

RECOMMENDATION

- It is recommended by the Transportation and Public Works Department that the Council, by resolution, approve the Second Amendment to Professional Services Agreement with MV Transportation, Inc. to 1) extend the contract for delivery of ADA paratransit services and deviated fixed-route service through June 30, 2020, 2) increase the compensation payable to the contractor under the Agreement by \$2,718,051, 3) suspend a specific liquidated damages provision during Year Four, and 4) provide for sharing the cost of MV Transportation's increased contribution to employee healthcare premiums over a specific threshold of employee participation.