

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: RACHEL EDE, DEPUTY DIRECTOR – TRANSIT
TRANSPORTATION AND PUBLIC WORKS DEPARTMENT
SUBJECT: SECOND AMENDMENT TO PSA WITH MV TRANSPORTATION
TO PROVIDE ADA PARATRANSIT SERVICES AND DEVIATED
FIXED-ROUTE SERVICE

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Transportation and Public Works Department that the Council, by resolution, approve the Second Amendment to Professional Services Agreement Number F002252 with MV Transportation, Inc. with offices located in Fairfield, California, to extend the contract for delivery of ADA paratransit services and a deviated fixed-route service through June 30, 2024 and increase the compensation payable to the contractor under the Agreement by \$1,850,000 for a total contract amount not to exceed amount of \$5,885,331.

EXECUTIVE SUMMARY

The Transit Division of Transportation and Public Works contracts for ADA Paratransit transportation service and deviated fixed route services. In 2021, the City Council awarded the current contract for a 30-month period through June 30, 2023 with options to extend services for four additional one-year periods. MV Transportation's performance has meet the City's expectations. Staff seeks Council approval to extend the contract through June 30, 2024, with an increase in compensation of \$1,850,000 related to employee wages and increased facilities rental costs for a total not-to-exceed amount of \$5,885,331 under the agreement.

BACKGROUND

The Transit Division ("Transit") of Transportation and Public Works (TPW) has contracted ADA Paratransit service since the late 1990s when this service became a requirement under the Americans with Disabilities Act (ADA). Paratransit service complements the City's fixed route transit system, by providing next-day paratransit services seven days a week to those who are unable (temporarily or permanently) to

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independently use Santa Rosa CityBus due to a disability or health related condition. This service is provided within three-quarters of a mile from existing CityBus routes.

The City of Santa Rosa has partnered with Oakmont Village Association (OVA) to provide deviated/flexible fixed route bus service for the Oakmont Community continuously since 1998. Route 16 is the City's only deviated fixed route and it operates within the Oakmont Community for the general public. Route 16 operates with a shared cost agreement approved by City Council and the Oakmont Village Association. The service operates Monday through Friday and deviates up to 3/4 of a mile from its standard route to provide service upon request within the Oakmont community as well a daily trip to nearby grocery stores and pharmacies.

The current contractor, MV Transportation, Inc., has operated both the paratransit and deviated fixed route services for the City of Santa Rosa since 2002. MV Transportation continues to be a strong partner with the City of Santa Rosa. The company continues to staff the local office with experienced leaders who work daily with City staff to provide a safe, reliable, efficient and courteous service to the public. MV Transportation's team has provided critical support for evacuations during the 2017, 2019 and 2020 fire emergencies as well as throughout the pandemic. The Transit Division has found MV Transportation's staff to be responsive in delivering quality services, and members of the City's Paratransit Users Group regularly commend MV Transportation staff for the quality of service that is provided.

The current contract with MV Transportation was awarded by Council in December of 2020 through a competitive bid process for a 30-month period from January 2021-June 2023, with the option to extend services for four additional one-year periods. An amendment to this contract was approved by the City Manager effective July 1, 2022, to increase wages and benefits for the dispatchers, drivers, and mechanics in order for the contractor to ensure the delivery of services.

PRIOR CITY COUNCIL REVIEW

On December 15, 2020, City Council, by Resolution No. RES-2020-224 awarded a 30-month contract with four one-year options to extend to MV Transportation Inc. of Fairfield, California.

On February 2, 2021, City Council, by Resolution No. RES-2021-023 passed a resolution approving a three-year agreement with the Oakmont Village Association to share equally in the annual cost of operating the deviated fixed route service to the Oakmont Community.

ANALYSIS

This proposed second amendment to the City's contract with MV Transportation

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includes a wage increase for paratransit drivers as well as an increase in the City's share of the facilities costs for MV Transportation's Santa Rosa site. The wage increase in this contract is just under 5% and is consistent with the general wage market increases occurring post-pandemic. The wage increase is expected to result in a total contract cost increase of \$26,000. The facilities fee increase relates to the fact that in 2021 the contractor was forced to relocate to a new facility with significantly higher rental costs. Starting in October 2021, the contractor's facilities rental cost more than doubled. MV has not passed on these additional costs to the City during the past two contract years, which has represented a significant cost savings to the City. But with this amendment, MV is seeking to increase the facilities portion of the contract to reflect the City of Santa Rosa's share of their increased facilities costs.

The negotiated facilities cost for this amendment increases the City's share of MV's rental costs from 26% to 44% of the overall rental cost for MV's West 3rd Street location, for a total increase of \$81,500. MV will continue to cover approximately 50% of the rental costs for this location, with the remaining rental costs split proportionately between the City of Santa Rosa and another agency contracting with MV based on the size of the contracts. The proposed amendment includes language stating that MV will adjust the City's rental cost proportionately should new contracts or sublet agreements lead to a reduction in the City's share of rental costs during the contract year.

City Staff seek Council approval to extend the contract through June 30, 2024, with renegotiated costs to reflect an increase in employee wages and increased facilities rental costs.

The ADA paratransit contract is a federally funded contract. The total proposed contract cost increase is 6.8% more than last year's contract, an increase that is less than the 10% threshold which would require further investigation and evaluation under federal guidance.

The total contract cost for the one-year extension is estimated to be less than \$1,850,000. About \$185,000 is allocated to the Oakmont service and this includes \$15,000 for FY 2022-2023 expenses with the remaining for FY 2023-2024. An estimated \$1,500,000 is budgeted for the FY 2023-2024 paratransit service. An additional 10% contingency is added. With the approval of the Second Amendment, the total maximum compensation to be paid to MV shall not exceed \$5,885,331. Funding for the ADA Paratransit Service and the Deviated Fixed Route Service is provided by state and federal grant funds.

FISCAL IMPACT

This action has no impact on the General Fund. Funding for the ADA paratransit services and the Oakmont deviated-fixed route service is provided by State Transportation Development Act Article IV funds and Federal Transit Administration (FTA) 5307 funds and is included in the Transit Division budget. Exhibit B-2 shows the

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annual contract amounts for paratransit and the deviated fixed portion for the one-year extension contract period.

ENVIRONMENTAL IMPACT

The Council finds that the proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and that no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibit A – Second Amendment to Professional Services Agreement with MV Transportation, Inc.

PRESENTER

Yuri Koslen, Transit Planner