



MEMORANDUM
PUBLIC WORKS AND FACILITIES
TRANSIT DIVISION
County of Placer

TO: Board of Supervisors DATE: October 11, 2016
FROM: Ken Grehm, Director of Public Works and Facilities
By: Will Garner, Public Works Manager
SUBJECT: Transit / Contract No. 1159-Amendment No. 2 / MV Transportation

ACTION REQUESTED

Authorize the Director of Public Works and Facilities, or designee, to execute Amendment No. 2 to Contract No. 1159 with MV Transportation to provide operations for Placer County Dial A Ride, in the amount not to exceed \$1,040,046 for the period of November 1, 2016, to October 31, 2017.

BACKGROUND

In 2013, your Board approved the award of a contract to MV Transportation to provide operations for Placer County Dial-A-Ride. This contract was awarded through a competitive procurement process. The initial term of the contract covered November 1, 2013, through October 31, 2016, and included options to extend the term for two more years through October 31, 2018. The purpose of this contract is to provide operations for the Dial-A-Ride service, including vehicle maintenance. In 2015, the contract was amended to add the Lincoln Dial-A-Ride.

The Department of Public Works and Facilities (DPWF) received a proposal from MV Transportation to extend the term of the contract. MV proposed an increase of 6.3 percent to \$804,807 per year for the Placer County portion of the service, not including Lincoln, and an increase of 5.4 percent to the Lincoln portion of the service to \$235,239 per year. MV Transportation's justification for this increase is their increased labor costs. MV has increased their employee pay rate to be able to retain qualified drivers and their health care costs have increased for all employees. The rate structure for the Lincoln dial-a-ride service is more expensive on a per hour basis than the rest of the Placer County service. This is due to the remote location, and to relatively high fixed costs for a smaller amount of vehicle revenue hours. The cost for the Placer County service areas – including Rocklin, Loomis, Auburn area and Granite Bay is \$46.39 per vehicle revenue hours. The cost for the Lincoln Dial-A-Ride service is \$64.08 per vehicle revenue hour.

ENVIRONMENTAL IMPACT

The project is statutorily exempt from CEQA pursuant to section 21080(b)(10), as it is a project to provide passenger service.

FISCAL IMPACT

The cost of Amendment No. 2 to Contract No. 1159 is \$1,040,046, and is included in the Final FY 2016-17 Budget in the Department of Public Works and Facilities Placer County Transit Appropriation Program, Project Account #2555. The contract is funded by passenger fares (\$29,000), contributions from the Cities of Lincoln and Rocklin and Town of Loomis (\$495,400), and the County Local Transportation Fund (\$515,646). The amended contract was budgeted at approximately \$20,000 less than this proposed amendment. The additional \$20,000 represents 2 percent higher than the budgeted amount with Account #2555. The increase in cost will be funded by an increase of Local Transportation Funds available and additional contributions from the Cities/Town. The cost reflects a year-over-year increase of \$59,555 or 6.1 percent. The cost is attributable to increased contract labor costs.

ATTACHMENT

Contract No. 1159-Amendment No. 2

CONTRACT No 1159 AMENDMENT No. 2

Contract Number: 1159

Project Title: Placer County Dial-A-Ride Services

Description: Contract No.1159 with MV Transportation Inc. Amendment No. 2 to Extend the Dial-A-Ride Services Contract 1 Year to October 31, 2017

This Contract Amendment No. 2 ("Amendment") is entered into by and between the County of Placer hereinafter referred to as "COUNTY", and MV Transportation Inc., hereinafter referred to as "CONTRACTOR", this _____ day of _____, 2016, and affects **EXHIBIT F, "PAYMENT FOR SERVICES RENDERED"** and **SECTION 7 "TERMS OF AGREEMENT"** of the original Contract #1159, dated August 20, 2013 and Amendment No. 1 dated April 24, 2015. The Contract is hereby amended as follows:

Exhibit F, PRICING

COST FORMULA	Placer County Dial A Ride - Rocklin/Loomis, Highway 49, Granite Bay & Taylor Road Shuttle	Lincoln Dial- A-Ride	TOTAL
1. Cost per VRH	\$27.98	\$41.11	
2. Monthly Fixed Cost	\$29,211.58	\$8,167.10	\$37,378.68
Projected Annual VRH (a)	16,236	3,338	19,574
Months in Year	12	12	12
3. Annual VRH Cost	\$454,268.29	\$137,233.19	\$591,501.48
4. Annual Fixed Costs	\$350,539.00	\$98,005.20	\$448,544.20
TOTAL COST (3+4)	\$804,807.29	\$235,238.39	\$1,040,045.68

7. TERMS OF AGREEMENT

A. Initial Term:

The initial term of this Agreement shall be from **November 1, 2016** through and including **October 31, 2017**.

Except as modified by this Amendment, all other sections of the contract exhibits, and amendments remain unchanged and in full force and effect.

Exhibit A – Scope of Services

The following is added:

Section II G Beginning Service Level

"Beginning Service Level" is hereby specified as **16,236** vehicle revenue service hours per year for **Placer County Dial A Ride, excluding service in Lincoln**. This assumes 307 operating days per year with 58.7 vehicle revenue hours per day M-F and 24.5 vehicle revenue hours on Saturday with 6 buses in service per day M-F and 5 buses per day on Saturday.

"Beginning Service Level" is hereby specified as **3,338** vehicle revenue service hours per year for **Placer County Dial A Ride, for service in Lincoln**. This assumes 307 operating days per year with 11.6 vehicle revenue hours per day M-F and 7.5 vehicle revenue hours on Saturday with 2 buses in service per day M-F and 1 bus per day on Saturday.

"Beginning Service Level" is determined based on vehicle revenue hours reported by CONTRACTOR in Fiscal Year 2014-15 and 2015-16.

IN WITNESS WHEREOF, the parties have hereunto set their hands the year and date first above written.

"COUNTY"
COUNTY OF PLACER

"CONTRACTOR"
MV Transportation, Inc
A California Corporation

By: _____
Ken Grehm, Director
Department of Public Works
And Facilities

By: _____
(Signature Notarized)

Date: _____

Date: _____

APPROVED AS TO FUNDS:

(Print Name and Title)

By: _____
Auditor, Placer County

By: _____
Officer Signature (#2)
(Signature Notarized)

Date: _____

APPROVED AS TO FORM:

(Print Name and Title)

By: _____
County Counsel, Placer County
Deputy County Counsel

Date: _____

Federal Employee ID Number

