



Item #5

November 10, 2014

MEMO TO: HERITAGE VALLEY POLICY ADVISORY COMMITTEE

FROM: AARON BONFILIO, PROGRAM MANAGER

SUBJECT: HERITAGE VALLEY DIAL-A-RIDE CONTRACT EXTENSION AND BUDGET AMENDMENT

RECOMMENDATION:

- Approve for recommendation a two-month contract extension with FATCO, terminating March 1, 2015, in a form and substance approved by VCTC general counsel; and,
- Approve for recommendation the proposed budget amendment for costs associated with the extension.

BACKGROUND:

At the time that the preliminary Heritage Valley Transit Service¹ (HVTs) budget was prepared by VCTC, a great deal was unknown pertaining to the service costs and many assumptions were made; including regarding projected contract rates for the new transit service contract, levels of service to be requested by the yet to be formed policy advisory committee, the projected demand for Dial-a-ride service, as well as the promotional activity and marketing cost associated with the launch of the service and the sustained marketing costs thereafter (i.e. "post-launch"). The draft budget for the HVTs was first presented to the Commission in April 2014 and then adopted by the Commission June 2014. At the same time the Cooperative Agreement which lays out governance of the service was being formally adopted by the member agencies, which are the Cities of Santa Paula and Fillmore, the County of Ventura and the Commission (as an ex-officio member).

As stipulated by the Cooperative Agreement the Commission would administer the service and in doing so, administer the procurement of the contracted transit operator. The voting member agencies would make recommendations to the Commission regarding, among other things, the selection of the contract transit operator. Per federal requirements, a competitive procurement was conducted. Specifically, a Request for Proposals seeking proposals that offered the best value was let, and an evaluation panel, which included representatives from each of the member agencies (as well as peer professionals with similar contracting experience), was charged with evaluation of the proposals. The recommendation of the evaluation panel was received by the Heritage Valley Policy Advisory Committee (HVPAC). The panel's recommendation was to award the contract for the new service to MV Transportation. The HVPAC reviewed the recommendation, amending it to request last best-and-final offers from the two top ranked proposers, MV Transportation and Fillmore Area Transit Corp (FATCO). The recommendation of the HVPAC was presented to the Commission. The Commission did not approve the recommendation and instead voted to award the contract to MV Transportation. Pursuant with the Cooperative Agreement

¹ A naming contest was recently held for the Heritage Valley transit service. The name for the new service will be "Valley Express."

governing the service, in the event that the Commission does not approve a recommendation of the HVPAC, the Administrative Committee of the Commission and the HVPAC “must meet and confer in an effort to resolve differences in the recommended action.” Further, in the event that a member of the Administrative Committee is also a member of the HVPAC, the Commission must designate “a substitute to participate in the meet-and-confer process on behalf of VCTC.” The designation of the substitute will be made at the next Commission meeting, scheduled for November 7, 2014.

RECOMMENDATION:

As a result of the events outlined above, staff recommends that the HVPAC approve for recommendation a two-month contract extension to the agreement with the current Dial-a-ride transit operator, FATCO. Staff also recommends that the HVPAC approve the proposed budget amendment necessary for the additional costs associated with operation of continued dial-a-ride service. The recommended budget amendment is to increase the HVTB budget for Contractor Services by an amount equal to \$183,000. The current cost of service with FATCO averages approximately \$210,000 per month. The difference between the estimated cost of the new service and FATCO's average cost is approximately \$91,000 per month. Assuming a two-month contract extension with FATCO, the estimated budgetary shortfall will be \$61,000 for each of the three member agencies, or \$183,000 total. A draft of the extension agreement is attached to this agenda. The proposed agreement extends the current terms, rates and hours of service for a period of two months.

Pending the outcome of the meet-and-confer process, staff will return to the Heritage Valley Policy Advisory Committee with the final budget amendment recommendation specific to the projected cost of transit contract services for the remainder of the fiscal year, as well as regarding the post-launch marketing expense associated with the new service. Previously the HVPAC approved the draft list of marketing tasks, which had a projected budget of \$51,000 for one year. Pending the outcome of the meet-and-confer process staff will likely present this item for recommendation at the next HVPAC meeting as well.

AMENDMENT # 4
FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, FY2012-13, FY2013-14

**FOR OPERATING SERVICES ASSOCIATED WITH
VISTA TRANSIT SERVICE
SANTA PAULA AND FILLMORE/PIRU DIAL-A-RIDES**

This is Amendment No. 4 to the FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, FY2012-13, FY2013-14 Agreement for Operating Services Associated with VISTA Transit Service, Santa Paula and Fillmore/Piru dial-a-rides ("Agreement"), dated June 29, 2007, by and between the Ventura County Transportation Commission (VCTC), hereinafter referred to as "COMMISSION," and Fillmore Area Transit Corporation, Inc. herein referred to as "CONTRACTOR."

On November 7, 2014 the VCTC approved and authorized the two month extension of the Agreement for Operating Services and Capital Lease costs Associated with VISTA Transit Service, Santa Paula and Fillmore/Piru dial-a-rides ("Agreement"), dated June 29, 2007, by and between the Ventura County Transportation Commission (VCTC), hereinafter referred to as "COMMISSION," and Fillmore Area Transit Corporation, Inc. herein referred to as "CONTRACTOR."

1. COMMISSION AND CONTRACTOR agree to amend the agreement as follows:

ARTICLE 4, COMPENSATION and ARTICLE 13, NOTICES are amended as indicated in Attachment A.

2. Except to the extent amended hereby, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Agreement to be executed by their duly authorized representatives.

VENTURA COUNTY TRANSPORTATION COMMISSION

Ralph Fernandez, Chair

Date

CONTRACTOR

J. Chapman Morris Jr., FATCO

Date

Approved as to Form:

Steven T. Mattas, General Counsel

ATTACHMENT A
FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, FY 2012-13, FY 2013-14

**FOR OPERATING SERVICES ASSOCIATED WITH
VISTA TRANSIT SERVICE
SANTA PAULA AND FILLMORE/PIRU DIAL-A-RIDES**

ARTICLE 4, COMPENSATION

The total compensation payable to CONTRACTOR, by COMMISSION, for operating services is not to exceed the sums listed below for each fiscal year, with annual contract costs as follows:

OPERATING COST
SANTA PAULA DIAL-A-RIDE

	FY 2013-2014	Jul14-Dec14	Jan15-Mar15
Weekdays	257	128	40
Weekend days	103	52	16
Hours per weekday	56	56	56
Hours per weekend day	22	22	22
Total Hours	16656	8312	2592
Operating cost per hour	\$34.83	\$36.14	\$36.14
Yearly cost not to exceed	\$555,400	\$300,363	\$93,675

FILLMORE DIAL-A-RIDE

	2013-2014	Jul14-Dec14	Jan15-Mar15
Weekdays	257	128	40
Weekend days	103	52	16
Hours per weekday	50	50	50
Hours per weekend day	27	27	27
Total Hours	15656	7804	2432
Operating cost per hour	\$34.83	\$36.14	\$36.14
Yearly cost not to exceed	\$541,880	\$282,006	\$87,892

COMMISSION will pay CONTRACTOR at the hourly rates listed above for the service actually provided, and identified in the Scope of Work. CONTRACTOR is not obligated to provide service beyond that stated in the contract compensation amount. The total two-month operating contract cost for January 5, 2015 to March 1, 2015 will not exceed \$181,568.

Although COMMISSION wishes to allow some flexibility in the distribution of service hours and costs during the year, COMMISSION does not authorize operation in excess of 103 % of the allocated service hours during any calendar month, and COMMISSION does not authorize operation in excess of 102 % of the allocated service hours during any calendar quarter, and COMMISSION shall not be obligated to pay CONTRACTOR for annual costs incurred in excess of the above amounts.

13. NOTICES

13.1 – All notices to the COMMISSION under this Agreement shall be in writing and sent to:

Darren M. Kettle, Executive Director
Ventura County Transportation Commission
950 County Square Drive, Suite 207, Ventura, CA 93003

13.2 – All notices to CONTRACTOR under this agreement shall be in writing and sent to:

J. Chapman Morris
Fillmore Area Transit Corporation, Inc.
1024 Ventura Street, Fillmore, CA 93015

AMENDMENT # 4
FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, FY 2012-13, FY 2013-14
FOR LEASE OF FULLY MAINTAINED BUSES AND MISCELLANEOUS EQUIPMENT ASSOCIATED
WITH
SANTA PAULA AND FILLMORE/PIRU DIAL-A-RIDES

This is Amendment No. 4 to the FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, FY 2012-13, FY2013-14 Agreement for Operating Services Associated with VISTA Transit Service, Santa Paula and Fillmore/Piru dial-a-rides ("Agreement"), dated June 29, 2007, by and between the Ventura County Transportation Commission (VCTC), hereinafter referred to as "COMMISSION," and Fillmore Area Transit Corporation, Inc. herein referred to as "CONTRACTOR."

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1. COMMISSION AND CONTRACTOR agree to amend the agreement as follows:

ARTICLE 4, COMPENSATION and ARTICLE 13, NOTICES are amended as indicated in Attachment A.

2. Except to the extent amended hereby, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Agreement to be executed by their duly authorized representatives.

VENTURA COUNTY TRANSPORTATION COMMISSION

Ralph Fernandez, Chair

Date

CONTRACTOR

J. Chapman Morris Jr., FATCO

Date

Approved as to Form:

Steven T. Mattas, General Counsel

ATTACHMENT A
FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, FY 2012-13, FY 2013-14

**FOR LEASE OF FULLY MAINTAINED BUSES AND MISCELLANEOUS EQUIPMENT ASSOCIATED
WITH
SANTA PAULA AND FILLMORE/PIRU DIAL-A-RIDES**

ARTICLE 4, COMPENSATION

The total compensation payable to CONTRACTOR, by COMMISSION, for providing the fully maintained vehicles is not to exceed the sums listed below for each fiscal year, with annual contract costs as follows:

LEASE COST
SANTA PAULA DIAL-A-RIDE

	2013-2014	Jul14-Dec14	Jan15-Mar15
Weekdays	257	128	40
Weekend days	103	52	16
Hours per weekday	56	56	56
Hours per weekend day	22	22	22
Total Hours	16656	8312	2592
Operating cost per hour	\$46.16	\$47.81	\$47.81
Yearly cost not to exceed	\$764,690	\$398,070	\$123,924

FILLMORE DIAL-A-RIDE

	2013-2014	Jul14-Dec14	Jan15-Mar15
Weekdays	257	128	40
Weekend days	103	52	16
Hours per weekday	50	50	50
Hours per weekend day	27	27	27
Total Hours	15656	7804	2432
Operating cost per hour	\$46.16	\$47.81	\$47.81
Yearly cost not to exceed	\$722,681	\$373,741	\$116,274

The total two-month lease contract cost for January 5, 2015 to March 1, 2015 will not exceed \$240,198

The COMMISSION will pay CONTRACTOR at the hourly rates listed above for the service actually provided, and identified in the Scope of Work. CONTRACTOR is not obligated to provide service beyond that stated in the contract compensation amount.

Although COMMISSION wishes to allow some flexibility in the distribution of service hours and costs during the year, COMMISSION does not authorize operation in excess of 103 % of the allocated service hours during any calendar month, and COMMISSION does not authorize operation in excess of 102 % of the allocated service hours during any calendar quarter, and COMMISSION shall not be obligated to pay CONTRACTOR for annual costs incurred in excess of the above amounts.

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