



Agenda Item No. 3

To: Transportation Committee/Committee of the Whole  
Meeting of August 7, 2009

From: Harvey Katz, Access and Compliance Planner  
Alan R. Zahradnik, Director of Planning  
Teri M. Mantony, Deputy General Manager, Bus Division  
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE EXECUTION OF THE FY 09/10 INTER-COUNTY  
PARATRANSIT SERVICES AGREEMENT WITH MARIN TRANSIT**

### **Recommendation**

The Transportation Committee recommends that the Board of Directors approve a 12-month Agreement with the Marin County Transit District (MCTD) for provision of the District's Americans with Disabilities Act (ADA) inter-county paratransit services, for a total estimated cost of \$1,280,382, effective July 1, 2009, through June 30, 2010.

### **Summary**

For the past 16 years, the District has contracted annually with the Marin County Transit District (MCTD) for the provision of inter-county paratransit services by its local paratransit service contractor, Whistlestop Wheels (WSW), to comply with the ADA. The FY 09/10 Inter-County Paratransit Agreement (Agreement) has been developed to continue the terms and conditions of the previous Inter-County Paratransit Agreements with MCTD and to reflect the principles of the Marin Local Fixed Route Bus Agreement effective through June 30, 2017.

As in FY 08/09, the Agreement provides for compensation to MCTD for Contractor (WSW) costs and MCTD costs for the operation of District Intercounty Paratransit Service, including:

1. Contractor's fixed and variable expenses – developed using a detailed line-item budget from WSW with costs allocated to MCTD and the District based on projected total hours, total miles, vehicle allocation, full-time equivalent employees, and passengers of the respective services.
2. District's share (based on mileage) of applicable operating costs funded by MCTD:
  - a. Fuel expenses – developed using the latest fuel cost estimates from Marin County Department of Public Works
  - b. Radio service – as invoiced by Marin Emergency Radio Authority (MERA)
  - c. Local match for vehicle procurement
  - d. Local match for MCTD-sponsored mobile data terminal project.

Operating Expenses

During the one-year term of this Agreement, the District will pay MCTD \$394,536 in WSW fixed operating costs, plus \$32.07 for each service hour provided up to 17,691 hours. This reflects a 0.6% increase in service hours over year-end service hours for FY 08/09 to accommodate projected demand. The overall increase in WSW FY 09/10 budgeted expenses (\$961,982) is 7.9% compared to the same expenses in the FY 08/09 Agreement (\$891,883).

FY 09/10 cost for fuel included in the Agreement is \$129,591. This is down 39% from projected FY 08/09 year-end fuel expense (\$213,444) as a result of the decrease from the record-high fuel costs of the previous year. The District's share of FY 09/10 paratransit radio costs is estimated to be \$15,403.

Combined FY 09/10 ongoing operating costs are projected to be \$1,106,928, which is 1.0% below the \$1,118,213 for ongoing expenses in the FY 08/09 Agreement.

One-time Expenses

In addition, the following one-time costs are included in the FY 09/10 Agreement as expenses shared between to District and Marin Transit:

<u>ONE-TIME COST</u>	<u>DESCRIPTION</u>	<u>DISTRICT SHARE</u>
PT Vehicle Match FY 2010 FTA Section 5307	Procurement of up to 12 paratransit vehicles (8 cutaways, 4 minivans) for provision of Marin Local and District Inter-county Paratransit Services (Total local match: \$144,180)	\$ 45,088
PT Vehicle Match FY 2011 FTA Section 5307	FY 11 procurement of up to 7 additional full-size paratransit vehicles for provision of Marin Local and District Intercounty Paratransit Services (Total local match: \$100,300)	\$ 31,366
Mobile Data Terminals	FY 09 project rolled over to FY 10 (contingency if project exceeds ARRA funding of \$360,000)	\$ <u>97,000</u>
<b>TOTAL COMBINED ONE-TIME EXPENSE</b>		<b>\$173,454</b>

As stated in the Agreement, the figures above are estimates, and final costs to the District will be based on actual project costs. Cost sharing is proportional to the latest vehicle mile information available at the time the expense is incurred.

FY 09/10 Agreement Total Cost

The combined ongoing and one-time operating expenses reflected in this Agreement (\$1,280,382) are 1.0% lower than similar expenses reflected in the Agreement for FY 08/09 (\$1,292,679). On a cost-per-service-hour basis, the effective hourly rate of \$72.37 per hour is 1.5% below the \$73.51 hourly rate reflected in the FY 08/09 Agreement.

As in past years, the Agreement provides for an expense reconciliation process. All parties will review MCTD and WSW actual fixed, variable, capital, and operating costs, plus fare revenue, to reconcile accounts based on actual expenses, service provided, and fare revenue received during the contract period.

**Fiscal Impact**

The total estimated cost to the District for inter-county paratransit service based on this Agreement is \$1,280,382. All fare revenue from trips provided under this Agreement (estimated at \$7.34 per passenger, \$100,600 total) will be credited toward these total costs, resulting in a net deficit for the provision of FY 09/10 inter-county paratransit service (after fares) of \$1,179,782 (7.9% farebox recovery). The adopted FY 09/10 Bus Division Operating Budget includes \$1,153,600 for net inter-county paratransit operating expenses defined in this recommended Agreement. Later in the fiscal year, staff will review the actual expenses and either transfer funds or adjust the Bus Division budget if necessary.