



# County of El Dorado

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## Legislation Text

File #: 07-583, Version: 1

Transportation Department recommending Chairman be authorized to sign Amendment II to Agreement for Services AGMT 05-841 with Area Transit Management, Inc., increasing compensation by \$265,562 to an amount not to exceed \$905,562 and extending the term six additional months through December 31, 2007 to provide transit services in the South Lake Tahoe Basin.

**RECOMMENDED ACTION:** Approve.

**FUNDING:** Federal Transit Administration Grant Funds and Transportation Development Act Monies granted through the Tahoe Regional Planning Agency.

BUDGET SUMMARY:		
Total Estimated Cost		\$265,562.00
Funding		
Budgeted *	\$265,562.00	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$265,562.00	
Change To Net County Cost	-0-	\$0

\* included in FY 07-08 Proposed Budget

### Fiscal Impact/Change to Net County Cost:

There is no cost to the County General Fund. The South Lake Tahoe Transit Program is funded through Federal Transit Administration (FTA) Grant Funds, and Transportation Development Act (TDA) monies granted through the Tahoe Regional Planning Agency (TRPA). \$265,562 has been included in the Transportation Department's (Department) FY 07/08 proposed budget request, which includes the increased cost for this contract extension. Additionally, riders pay a bus fare based on Area Transit Management's (ATM) fare box rates that is retained by the County's transit operator consistent with the terms of the Agreement.

### Background:

In April 1998, El Dorado County (County) entered into a Participation Agreement to implement a Coordinated Transit System (CTS) on the South Shore of Lake Tahoe. Other participants include the City of South Lake Tahoe, Douglas County (Nevada), the Tahoe Transportation District, various casinos and Heavenly Mountain Resort. Since its inception, CTS has been operated by ATM under separate operating contracts.

ATM has provided transit services in the unincorporated areas of the South Lake Tahoe Basin for the last sixteen years. The programs provided through the ATM Agreement are summarized as follows:

General Public Demand Response and Paratransit Service - The General Public Demand Response Blue Go service is a door-to-door service which also transports riders to the City of South Lake Tahoe's fixed route Blue Go system. The Paratransit program provides transportation to riders that are elderly and/or have special needs. Eligibility for the use of Paratransit is determined by the County's Department of Human Services.

Summer Trolley - This is a seasonal fixed route service managed by the Blue Go Partnership and operated by ATM during the summer months.

As previously stated, the City of South Lake Tahoe and Douglas County, Nevada, also contract with ATM for transit services within the City limits and the South Shore portion of Nevada, allowing for an integration of the two systems.

In June 2005, the Board approved Agreement for Services # AGMT 05-841 with ATM in the amount of \$640,000 for the term of July 1, 2005 through June 30, 2007 to provide transportation services in the South Lake Tahoe Basin.

In February 2006, the Board approved Amendment I to Agreement for Services # AGMT 05-841 with ATM to amend Article XX, Compliance with Federal Requirements, and Article XXXVII, Incorporation of FTA Terms, to add in the provisions as required by the FTA.

**Reason for Recommendation:**

As a participant in the Tahoe Basin's CTS/Blue Go System and in consideration of the need for one transit service provider, the Department has not solicited proposals for this service in the past, but has continued to contract with ATM through contract renewals. However, due to the Department recently becoming a recipient of FTA operational funds, Caltrans, the agency responsible for administering the FTA funding, has requested that the Department conduct a solicitation process for these services to comply with FTA procurement procedures. Prior to initiating the RFP process, the Department conducted meetings with Caltrans to develop a timeline for issuing an RFP and for getting a new agreement in place. As part of that discussion, Caltrans recommended that the County issue a concurrent contract extension with ATM because the time needed to complete the RFP process will exceed the end of the current Agreement and to ensure that there is not a disruption in transit service provided to the residents and visitors of the El Dorado County portion of the South Lake Tahoe Basin.

The Department is requesting a six month extension of the existing Agreement to allow time to conduct an RFP process for these services. At present time, the Department's Tahoe Engineering Division is in the process of drafting the RFP. The solicitation process is expected to be initiated once approval has been obtained from Purchasing, as well as Caltrans' Division of Mass Transportation.

The terms of this Agreement include cost control and audit provisions requiring ATM to provide statistical reporting of performance indicators on a monthly basis. Performance indicators include reports on the number of passengers, service hours, service miles, employee hours and fare box revenues, subject to County audit.

Due to the recent Capital Stock sale of ATM and its proposed increased rates, the Department's Transportation Fiscal Services Manager conducted preliminary assessments of transit systems operating in communities of similar size to determine if the monthly cost increase of \$15,927 proposed by ATM is consistent with the current market rate. Based on this assessment, the increased cost proposed by ATM has been determined to be consistent with the current market. The Department's evaluation of the profit and loss data provided by ATM found that ATM has been operating at approximately a 17% loss under the terms of the existing Agreement.

Therefore, the Department recommends increasing the not-to-exceed amount of the Agreement from \$640,000 to \$905,562. This \$265,562 increase consists of \$40,927 per month for the six month extension for General Public Demand Response and Paratransit Service and \$20,000 for the Summer Trolley Service.

Due to the specialized services to be provided by ATM, the Department recommends the Board make findings pursuant to Article II, Section 210 b (6) of the El Dorado County Charter that there are specialty skills required for the work performed under this Agreement that are not expressly identified in County classifications, and that the ongoing aggregate of the work performed under this Agreement is not sufficient to warrant the addition of permanent staff. In addition, the work to be performed by ATM requires some equipment that is not identified in available County assets.

In accordance with the Feasibility Analysis, the Department is not required to notify an employees' association regarding this Agreement.

In accordance with Board of Supervisors Policy C-17, Sections 7.4.2, 7.5, and 7.10, the Purchasing Agent concurs with the Department's request to amend the existing Agreement with ATM for the provision of transit transportation services for special needs clients and the general public in the South Lake Tahoe Basin. Caltrans is responsible for administering the agreement for which the Department receives federal funding for the operation of the needed transit services. The Amendment to extend the term through December 31, 2007 is necessary to avoid interruption of transit services in the South Lake Tahoe Basin. Caltrans and the Purchasing Agent have agreed to the extension with the understanding that the Department will solicit competitive proposals prior to the expiration of the extended Agreement.

Action to be taken following Board approval:

1. The Board Chairman will sign the two originals of Amendment II to Agreement for Services # AGMT 05-841 with ATM.
2. The Board Clerk will forward one fully-executed original to the Department for further processing to ATM.

Contact:

Richard W. Shepard, P.E.  
Director of Transportation

Concurrences: