

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: The Honorable City Council

FROM: Mary Lindley, Parks, Recreation, and Community Services Director

Prepared by: Shaun Kroes, Administrative Specialist 

DATE: May 18, 2006 (CC meeting of June 7, 2006)

SUBJECT: Consider Amendment to Agreement for Transit Operating Services with CUSA CC, LLC, Extending Agreement for One-Year; and, Consider Amendment to Agreement for Bus Capital Maintenance Services with CUSA CC, LLC, Extending Agreement for One-Year

SUMMARY

The current agreements for Transit Operating Services and Bus Capital Maintenance Services, both with CUSA CC, LLC, expire June 30, 2006. The agreements, entered into in 2002, were for a three-year term with options for two, one-year extensions. The City Council is being asked to approve the last one-year extension. If approved, the agreements would be amended to reflect the one-year extension and rate increase for both agreements. Sufficient funds were included in the FY 2006/07 Transit budget request to pay for the extension and a rate increase.

DISCUSSION

In 2002, the City solicited proposals to maintain and operate the Moorpark City Transit fleet and fixed route bus service. CUSA CC, LLC, doing business as Antelope Valley Bus (CUSA) was the successful proposer. In 2005, the City approved extending the agreement with CUSA for one year. It also approved splitting the agreement into two separate agreements: one for operating costs and the second for preventative maintenance. This facilitated using federal funds available to support Moorpark City Transit capitalized preventative maintenance costs. State Transportation Development Act (TDA) funding is used by the City to pay for Moorpark City Transit operations. Federal FTA Urbanized Area (UZA) funding is used for capitalized preventative maintenance expenses.

Under the two City agreements, CUSA is paid by the service hour. The City's system consists of two routes. Each route operates eleven hours per day, five days per week. Service hours only include the time the buses are actually operating on a bus route and are available for passengers. Travel time to and from the CUSA yard in Oxnard and employee break time is not paid. The current cost of service for operations is \$27.07 per service hour and the current cost of service for capital maintenance is \$17.40 per service hour.

Staff proposes a modest increase for the next fiscal year, a 3 percent increase for capital maintenance (\$17.82 per service hour), and a 7.6 percent increase for transit operation (\$29.14 per service hour). The increase in operation expenses reflects the sharp increase in fuel that has occurred in the past year. Since April 2005, CUSA's fuel costs have increased 27.5 percent, and will likely continue to rise as the year progresses. During FY 2006/07 the City calculates that Moorpark City Transit's capital maintenance will cost \$102,465 (FTA funded) and that Moorpark City Transit operation will cost \$167,555 (TDA funded). The FY 2006/07 proposed budget includes sufficient funds to cover these expenses.

STAFF RECOMMENDATION

Approve a one-year extension with CUSA with a rate increase and authorize the Mayor to sign the attached Amendments.

Attachment A – Amendment No. 1: Agreement for Transit Operating Services

Attachment B – Amendment No. 1: Agreement for Bus Capital Maintenance Services

AMENDMENT NO. 1

AGREEMENT FOR TRANSIT OPERATING SERVICES

THIS AMENDMENT TO AGREEMENT, made and entered into this ____ day of _____, 2006, by and between the City of Moorpark, a municipal corporation located in the County of Ventura, State of California, hereinafter referred to as "City" and CUSA CC, LLC, hereinafter referred to as "Contractor".

WITNESSETH

Whereas, on August 15, 2005, the City and Contractor entered into an Agreement for Transit Operating Services, hereto referred to as Agreement, pertaining to all things necessary to manage, operate, and maintain the City's fixed route transit service; and,

Whereas, the City now desires to utilize its exclusive option to extend the Agreement for one (1) additional one-year period, the City and Contractor have discussed and agreed to said extension, and now wish to document said Agreement by jointly approving this Amendment No. 1 to the August 15, 2005, Agreement by amending the term and compensation.

NOW, THEREFORE, in consideration of the mutual covenants, benefits and premises herein stated, the parties hereto agree to amend the aforesaid Agreement and Amendments as follows:

I. Term of Agreement

Section 1, Term of Agreement, is hereby amended to extend the Agreement for Transit Operating Services to June 30, 2007, unless sooner terminated as provided in the Agreement.

II. Compensation

Section 3, Compensation, is hereby amended to reflect an adjustment to the hourly equivalent from \$27.07 per hour to \$29.14 per hour effective July 1, 2006 through June 30, 2007, to a maximum of 22 hours per day, in accordance with the Contractor's Proposal as accepted by the City of Moorpark.

III. Remaining Provisions

All other provisions of the aforesaid Agreement shall remain in full force and effect.

Agreement for Transit Operating Services
Amendment No. 1
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CITY OF MOORPARK:

CONTRACTOR:
CUSA CC, LLC

Patrick Hunter, Mayor

David G. Dwight, Vice President,
General Manager

Date _____

Date _____

ATTEST:

Deborah S. Traffenstedt, City Clerk

AMENDMENT NO. 1

AGREEMENT FOR BUS CAPITAL MAINTENANCE SERVICES

THIS AMENDMENT TO AGREEMENT, made and entered into this ____ day of _____, 2006, by and between the City of Moorpark, a municipal corporation located in the County of Ventura, State of California, hereinafter referred to as "City" and CUSA CC, LLC, hereinafter referred to as "Contractor".

WITNESSETH

Whereas, on August 15, 2005, the City and Contractor entered into an Agreement for Bus Capital Maintenance Services, hereto referred to as Agreement, pertaining to all things necessary to provide Bus Capital Maintenance services for the City's fleet of buses; and,

Whereas, the City now desires to utilize its exclusive option to extend the Agreement for one (1) additional one-year period, the City and Contractor have discussed and agreed to said extension, and now wish to document said Agreement by jointly approving this Amendment No. 1 to the August 15, 2005, Agreement by amending the term and compensation.

NOW, THEREFORE, in consideration of the mutual covenants, benefits and premises herein stated, the parties hereto agree to amend the aforesaid Agreement and Amendments as follows:

I. Term of Agreement

Section 1, Term of Agreement, is hereby amended to extend the Agreement for Bus Capital Maintenance Services to June 30, 2007, unless sooner terminated as provided in the Agreement.

II. Compensation

Section 3, Compensation, is hereby amended to reflect an adjustment to the hourly equivalent from \$17.30 per hour to \$17.82 per hour effective July 1, 2006 through June 30, 2007, to a maximum of 22 hours per day, in accordance with the Contractor's Proposal as accepted by the City of Moorpark.

III. Remaining Provisions

All other provisions of the aforesaid Agreement shall remain in full force and effect.

Agreement for Bus Capital Maintenance Services
Amendment No. 1
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CITY OF MOORPARK:

CONTRACTOR:
CUSA CC, LLC

Patrick Hunter, Mayor

David G. Dwight, Vice President,
General Manager

Date _____

Date _____

ATTEST:

Deborah S. Traffenstedt, City Clerk