

**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO:** The Honorable City Council

**FROM:** Dave Klotzle, City Engineer/Public Works Director   
Prepared By: Shaun Kroes, Senior Management Analyst 

**DATE:** June 12, 2012 (CC Meeting of 07/18/12)

**SUBJECT:** Consider Rejection of Proposal Received for Fixed Route Transit Services; Consider Rejection of Proposal Received for Dial-A-Ride Paratransit Services; Consider Authorizing City Manager to Negotiate Intergovernmental Agreements with the City of Thousand Oaks for Fixed Route Transit Operations, Fixed Route Preventive Maintenance, and Dial-A-Ride Paratransit Services

**SUMMARY**

On June 14, 2012, staff from the City's contractor CUSA CC, LLC (CUSA) for Fixed Route Transit Operations, Fixed Route Preventive Maintenance, and Dial-A-Ride Paratransit Services met with City staff and announced that as part of its bankruptcy proceedings, CUSA had been sold to another company which was not interested in continuing to provide transit services for the City of Moorpark (Moorpark). CUSA staff announced that they would be unable to provide Dial-A-Ride Paratransit Services after July 31, 2012, even though the existing Agreement did not expire until June 30, 2013. The Agreements for Fixed Route Transit Operations and Preventive Maintenance expired June 30, 2012; however, City Council had authorized a six-month extension for both Agreements on June 6, 2012. CUSA did not sign those Agreements. Although CUSA's Agreements expired June 30, 2012, the company did sign a one-month extension, to July 31, 2012, to give Moorpark time to find another contractor to provide the services. Moorpark staff released a Request for Proposal (RFP) for Dial-A-Ride Paratransit Services and a RFP for Fixed Route Transit Services on June 25, 2012 with a proposal due date of July 9, 2012.

Roadrunner Shuttle was the only contractor to submit proposals in response to the RFP. After reviewing the proposals, staff is recommending that City Council consider rejecting the proposals received by Roadrunner Shuttle and instead authorize the City Manager to negotiate Intergovernmental Agreements with the City of Thousand Oaks (Thousand Oaks)

for Fixed Route Transit Operations, Fixed Route Preventive Maintenance, and Dial-A-Ride Paratransit Services for a two-year period.

## **BACKGROUND**

Moorpark contracts for Fixed Route Transit Operations, Fixed Route Preventive Maintenance, and Dial-A-Ride Paratransit Services. Moorpark's Fixed Route transit system consists of two routes, Route 1 and Route 2 that operate between the hours of 6:00 am and 6:00 pm Monday through Friday. Both routes provide eleven trips per day each. Moorpark has received a three year Federal demonstration grant to provide extended hours of service on weekdays and on the weekend, beginning in October or November 2012. The schedule for extended services is still under development and the selected contractor will provide assistance in providing input into finalizing the new schedule upon award of the Agreements.

Moorpark's Dial-A-Ride Paratransit Services Agreement includes services for Senior Dial-A-Ride (DAR) and ADA Paratransit services. The Senior DAR program is an origin-to-destination service for Moorpark residents aged 62 and older. The rider pays \$1.50 per one way trip (per trip) for travel within Moorpark. The ADA Paratransit service provides origin to destination transportation within Moorpark for \$1.50 per trip for any Moorpark resident with a valid American with Disabilities Act (ADA) card, issued by the Ventura County Transportation Commission (VCTC). The ADA Paratransit service also provides trips to and from Thousand Oaks and the Los Angeles County transfer point for \$3.00 per trip. Travel to and from Camarillo and Oak Park is \$4.50 per trip. Moorpark also provides travel to Simi Valley via transfer points for \$3.00 per trip.

Moorpark receives Federal funding for its Fixed Route Preventive Maintenance services as well as its Dial-A-Ride Paratransit services. Moorpark uses Transportation Development Act (TDA) and Traffic System Mitigation (TSM) funds for Fixed Route Operations. Consequently, Moorpark has established three separate Agreements for all three services. As staff previously mentioned, Moorpark received proposals from one company, Roadrunner Shuttle. During the time of the RFP, staff had been discussing with Thousand Oaks the feasibility of contracting with Thousand Oaks for transit services. This was partly out of concern that Moorpark might not receive any proposals from contractors for the transit services. Additionally, contracting with Thousand Oaks would align with the recent VCTC Regional Transit Study, which recommends a more cooperative effort between the east county cities to coordinate transit services. At the time that Moorpark received Roadrunner's proposals, Thousand Oaks also provided its proposed pricing and conditions of providing transit services. Tables 1, 2, and 3 provide the cost breakdown for all three services based upon the pricing provided by Roadrunner and Thousand Oaks along with a comparison to CUSA's current rates.

Table 1: Fixed Route Transit Operations

<b>Firm Name</b>	<b>CUSA Current</b>	<b>Road Runner Proposed</b>	<b>Thousand Oaks Proposed</b>
City-owned CNG vehicles (per hour)	\$29.22	\$32.75	\$43.18
CNG vehicle fuel time (per event)	\$13.29	\$32.75	n/a
City-owned diesel vehicles (per hour)	\$34.78	\$32.75	\$43.18
Contractor-owned vehicles (per hour)	\$34.20	\$32.75	\$43.18
Customer service representation (monthly)	n/a	\$5,567.50	Included in operating rate
Estimate Hours*	5,632	5,632	5,632
Grand Total**	\$174,773.76	\$276,410.00***	\$248,189.76****

\* Estimate Hours are based on 5,632 hours of City-owned CNG bus operation

\*\* Grand Total is a combination of 256 days of 3 CNG vehicles fueled per day, 5,632 hours of City-owned CNG buses in operation, and 12 months of customer service representation.

\*\*\*Roadrunner's Grand Total cost without Customer service representation would be \$209,600.00.

\*\*\*\*Thousand Oaks includes a one-time \$5,000.00 mobilization expense

Table 2: Fixed Route Preventive Maintenance

<b>Firm Name</b>	<b>CUSA Current</b>	<b>Road Runner Proposed</b>	<b>Thousand Oaks Proposed</b>
City-owned CNG vehicles (per hour)	\$21.26	\$24.25	\$25.18
City-owned diesel vehicles (per hour)	\$21.26	\$24.25	\$25.18
Contractor-owned vehicles (per hour)	\$22.79	\$24.25	\$25.18
Estimate Hours*	5,632	5,632	5,632
Grand Total**	\$119,736.32	\$136,576.00	\$143,813.76**

\* Estimate Hours is based on 5,632 hours of City-owned CNG bus operation

\*\* Thousand Oaks includes a one-time mobilization rate of \$2,000.00

Table 3: Dial-A-Ride Paratransit Services

Firm Name	CUSA Current	Roadrunner Proposed	Thousand Oaks Proposed
Per Trip Fee	\$2.60	\$12.50	\$25.08
Trip Estimates	2,347	2,347	2,347
Total Trip Cost	\$6,102.20	\$29,337.50	\$58,862.76
Per Mile Fee	\$4.29	\$3.00	n/a*
Mile Estimates	20,380	20,380	20,380
Total Mile Cost	\$87,430.20	\$61,140	n/a
Grand Total	\$93,532.40	\$90,477.50	\$58,862.76

\* Thousand Oaks is proposing a flat per-trip fee with no additional mileage charge.

Table 4 shows the combined costs associated with all three transit services detailed in Tables 1 through 3.

Table 4: Combined Transit Services

Firm Name	Fixed Route Operations	Fixed Route Maintenance	Dial-A-Ride Paratransit Services	Total
CUSA - Current	\$174,773.76	\$119,736.32	\$93,532.40	\$388,042.48
Roadrunner - Proposed With call center*	\$276,410.00	\$136,576.00	\$90,477.50	\$503,463.50
Roadrunner – Proposed Without call center	\$210,230.00	\$136,576.00	\$90,477.50	\$437,283.50
Thousand Oaks - Proposed	\$248,189.76	\$143,813.76	\$58,862.76	\$450,866.28

\* Call center only refers to Fixed Route services

## **DISCUSSION**

Staff reviewed Roadrunner’s proposals and conducted an interview with Roadrunner on July 10, 2012. Roadrunner was provided 10 minutes to present its proposal and company overview, followed by a 20 minute question/answer period from Moorpark’s interview panel. Roadrunner’s proposals appeared complete and representatives from Roadrunner appeared thoroughly knowledgeable in their respective field, although, it should be mentioned that Roadrunner currently does not maintain any CNG buses at its local facility in Camarillo. Roadrunner staff mentioned that they would be assuming VISTA services from CUSA, thereby giving them access to CUSA’s mechanics who currently work on Moorpark’s CNG fleet. Roadrunner would most likely be able to provide the same level of service as Moorpark has been accustomed to from CUSA.

Moorpark's interview panel also met with staff from Thousand Oaks to discuss the potential benefits and complications of combining each jurisdiction's respective transit services. The group concluded that there would be multiple benefits realized by joining with Thousand Oaks. To begin with, Thousand Oaks currently maintains all of its CNG buses with its own very experienced mechanics, compared with CUSA and Roadrunner, which are comparatively inexperienced at maintaining CNG buses. The increased experience in CNG bus maintenance is expected to enhance the longevity of Moorpark's bus fleet. Staff also believes that the current requirement for a transit service contractor to maintain Moorpark's transit fleet may be limiting the pool of potential contractors. Using Thousand Oaks to maintain the vehicles enables potential contractors to simply provide driver services, which should enable more contractors to bid for future Moorpark/Thousand Oaks transit services. This in turn should increase competition which typically keeps costs at a competitive level.

Moorpark would also benefit from Thousand Oaks' existing transit policies and procedures that would be adopted and enforced by Moorpark (such as passenger suspensions, Title VI inquiry responses (concerns with claims of discrimination based upon existing or proposed bus routes) and no show policies). In addition, the Thousand Oaks Fixed Route and Dial-A-Ride Paratransit contractor (currently MV Transit) operates a transit information line that Moorpark residents would be able to utilize. This will reduce Moorpark staff time devoted to answering the public's questions about bus arrival times, destination information and other general transit questions. This will enable staff to devote more time towards other capital improvement projects and other general program improvements. Sharing the same service operator also fits into the recent VCTC Regional Transit Study, which recommended an East County Memorandum of Understanding (MOU) to further coordinate individual City services.

Merging transit services with Thousand Oaks will also require a few concessions from Moorpark. For example, Thousand Oaks has requested that it be allowed to inspect Moorpark's bus fleet prior to assuming maintenance responsibilities of the vehicles. If Thousand Oaks staff identifies problems with the vehicles (such as poor belts or leaks) Moorpark can either have CUSA provide repairs prior to the end of their current contract or have CUSA pay Thousand Oaks to provide repairs. Given the professional maintenance expertise of Thousand Oaks, a review of Moorpark's buses would be beneficial and would help to hold CUSA accountable for maintenance that it may have failed to perform. Thousand Oaks has also stated that it would like to see Moorpark raise its transit fares to be more consistent with Thousand Oaks own fares. Moorpark staff has already been considering potential fare increases and agree that in the next six months fares should be increased. Matching fares is also consistent with the VCTC Regional Transit Study.

As previously mentioned, Moorpark receives Federal funding to help fund Fixed Route Preventive Maintenance and Dial-A-Ride Paratransit Services. Consequently, Moorpark must perform a cost comparison between different transit agencies to justify the expense associated with the service both before and after the proposals are provided. Staff had previously prepared fixed route current pricing levels in June 2012 (both operation and preventive maintenance) while preparing the proposed FY 2012/13 CUSA extensions. Staff used pricing from Camarillo Area Transit (CAT), Thousand Oaks Transit (TOT) and VISTA services. Service pricing is provided in Table 5 below.

Table 5: FY 2012/13 Pricing – Pre RFP

Service	CAT	Moorpark CNG	Moorpark Diesel	TOT	VISTA
Operating/Maintenance per-hour rate	\$43.13	\$50.48	\$56.04	60.99	\$99.25*

\* VISTA number is for FY 2011/12

For Dial-A-Ride Paratransit Services, staff used price comparisons that were collected in FY 2010/11 during the last award of services and increased the rates by 6.00% (3.00% increase per fiscal year). Moorpark currently pays for Dial-A-Ride Paratransit services on a per-trip and per-mile basis. The majority of transit services in Ventura County use either a flat per-trip rate or per-hour rate. Consequently, staff used information provided by the City of Westlake Village. Table 6 below provides the cost comparison of estimated Dial-A-Ride Paratransit costs.

Table 6: Federal Cost Comparison

	City of Moorpark (Current)	City of Westlake Village (Adjusted)
Per Trip Fee	\$2.60	\$2.66
Per Mile Fee	\$4.29	\$3.88

After Moorpark receives pricing information, it must then do a price comparison between other transit agencies' rates and the proposed rates if it were to contract with Thousand Oaks.

Table 7: Cost Comparison of Combined Operating and Capital Maintenance Services (per-hour)

Service	CAT	Moorpark CNG	Moorpark Diesel	TOT	VISTA
Operating/Maintenance	\$43.13	\$68.36	\$68.36	60.99	\$99.25*

\* VISTA number is for FY 2011/12

Each transit service has its own features which mean that the cost comparisons are not specifically “apples-to-apples”. For example, TOT operates 35-foot CNG buses, compared to Moorpark’s 32-foot CNG buses and 28-foot diesel buses. VISTA operates 45-foot charter buses and because CUSA owns the vehicles VISTA pays an additional “vehicle-lease” that is incorporated in the capital maintenance costs. CAT does not split its costs between operating and capital maintenance and it operates smaller, “cut-a-way” diesel buses compared to Moorpark’s 28-foot diesel buses. In addition, CAT pays for its diesel fuel separately while Moorpark’s fuel costs are included in the hourly rate. CAT’s FY 2011/12 projected fuel expenditure is \$135,000. Despite the differences in transit services, it appears that the City’s hourly rates for services are reasonable as compared with other transit agencies in Ventura County. It should also be noted that Moorpark’s rates are higher than TOT as Moorpark will pay an “administrative” fee in addition to regular hourly rates for services as Thousand Oaks will be administering Moorpark’s contracts for services.

For Dial-A-Ride Paratransit Services, the cost comparison becomes easier. As proposed, Moorpark will begin to pay a \$25.08 per-trip fee only, instead of the current per-trip fee plus mileage rate. The City of Westlake Village and Ventura County have already begun contracting with Thousand Oaks for Dial-A-Ride Paratransit services. Both agencies paid \$22.90 per trip in FY 2011/12. Moorpark’s higher cost is understandable given the additional distance that Thousand Oaks must travel to get to and from Moorpark when starting a trip.

Based upon the price comparisons that exist, it appears that Thousand Oak’s proposed hourly rates for services and per-trip rates for service are reasonable as compared with other transit agencies in Ventura County.

**FISCAL IMPACT**

Table 8: Cost Comparison

<b>Firm Name</b>	<b>Fixed Route Operations</b>	<b>Fixed Route Maintenance</b>	<b>Dial-A-Ride Paratransit Services</b>	<b>Total</b>
CUSA - Current	\$174,773.76	\$119,736.32	\$93,532.40	\$388,042.48
Roadrunner - Proposed With call center*	\$276,410.00	\$136,576.00	\$90,477.50	\$503,463.50
Roadrunner – Proposed Without call center	\$210,230.00	\$136,576.00	\$90,477.50	\$437,283.50
Thousand Oaks - Proposed	\$248,189.76	\$143,813.76	\$58,862.76	\$450,866.28

As detailed above, Roadrunner’s proposal is 29.74% higher than what Moorpark would pay

CUSA if the City implemented the call center and 12.69% higher than what Moorpark would pay CUSA if Roadrunner did not provide a call center. Thousand Oaks' proposal is 16.19% higher than what Moorpark would pay CUSA and includes a call center. Although Thousand Oaks' proposal is 3.11% higher than Roadrunner's proposal (without a Roadrunner call center) staff believes the increase in cost is justified, given the increased level of services Moorpark expects from Thousand Oaks.

The proposed services from Thousand Oaks would establish the following hourly rates and per trip rates:

Table 8: FY 2012/13 Transit Rates

Service	FY 2012/13 Proposed Rates	Estimated Annual Expenditure
Operation – CNG and Diesel	\$43.18 per hour	\$248,189.76
Preventive Maintenance – CNG and Diesel	\$25.18 per hour*	\$143,813.76
Operation – TOT Vehicle	\$43.18 per hour	Included in above price
Preventive Maintenance – TOT Vehicle	\$25.18 per hour	Included in above price
DAR Paratransit	\$25.08 per trip**	\$58,862.76
Estimated Total Annual Expenditure		\$450,866.28

\* Thousand Oaks is requesting that if after three months of service it determines that it is subsidizing maintenance of Moorpark's vehicles too much, then it could either renegotiate pricing, or, Moorpark could identify another contractor to maintain the vehicles.

\*\* This per-trip rate increases if the number of trips exceed 275 in one month (Moorpark's average trips per month is 200).

The FY 2012/13 Budget includes a total of \$457,000 for transit services from the following sources:

- \$174,000 in Traffic Systems Management (TSM) Fund (2001) for operating the CNG buses.
- \$34,000 in TSM Fund (2001) for CNG fueling.
- \$15,000 in Local Transit Programs 8C Fund (5000) for operating the diesel buses.
- \$130,000 in Local Transit Programs 8C Fund (5000) for maintaining the City's fleet of buses.
- \$52,000 in Local Transit Programs 8C Fund (5000) for operating the DAR Paratransit Service.
- \$52,000 in Local Transit Programs 8C Fund (5000) for vehicle leasing/maintenance of DAR Paratransit vehicles.

Due to the expected decrease in costs for Dial-A-Ride Paratransit Services but the increased costs in Fixed Route Services, staff anticipates a net increase in overall costs of

transit services and a budget amendment will be required later in FY 2012/13 to account for the additional expenses. This is primarily due to the fact that although Dial-A-Ride Paratransit Services are decreasing, they were primarily funded with Federal money. The reduction in Federal expenditures does not necessarily mean that those expenditures can be transitioned to Fixed Route operations. At this time, requests for additional funds are expected to come from TSM Fund (2001) revenues.

**STAFF RECOMMENDATION:**

1. Reject July 9, 2012 proposal by Roadrunner Shuttle for Fixed Route Transit Services.
2. Reject July 9, 2012 proposal by Roadrunner Shuttle for Dial-A-Ride Paratransit Services.
3. Authorize City Manager to negotiate Intergovernmental Agreements with the City of Thousand Oaks for a two-year period for Fixed Route Transit Operations, Fixed Route Transit Preventive Maintenance, and Dial-A-Ride Paratransit Services, in amounts based on pricing described in the staff report above, subject to final language approval of the City Manager and City Attorney.