

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: The Honorable City Council

FROM: Sean Corrigan, City Engineer/Public Works Director 
Prepared By: Shaun Kroes, Program Manager

DATE: June 3, 2016 (CC Meeting of 06/15/16)

SUBJECT: Consider Amendment No. 1 to East County Transit Alliance Fiscal Agent Agreement for InterCity Americans with Disabilities Act (ADA) and Senior Dial-A-Ride Services

BACKGROUND

On July 1, 2015, the City Council approved the East County Transit Alliance (ECTA) Fiscal Agent Agreement for InterCity ADA and Senior Dial-A-Ride (DAR) Services (Agreement). The Agreement is a cost sharing agreement between the Cities of Moorpark, Simi Valley and Thousand Oaks, as well as the County of Ventura (collectively, the Agencies), for InterCity ADA and Senior DAR services, with Thousand Oaks responsible for contracting and administering the program. Through the Agreement, Moorpark seniors 65 years or older and Moorpark residents with a valid ADA card can travel to the Cities of Simi Valley, Thousand Oaks, Camarillo, Westlake Village, and surrounding county unincorporated areas (such as Home Acres and Oak Park).

The Agreement includes a per-ride fee of \$33.43. After discounting a passenger fare of \$5.00, the per-ride fee is \$28.43. The ECTA InterCity ADA and Senior DAR service was a new program (by including the City of Simi Valley and County of Ventura into a joint intercity program). Consequently, the City of Thousand Oaks' per-ride fee of \$33.43 was a best estimate of the anticipated costs of the program. Unfortunately, actual costs of the program were higher than expected. Thousand Oaks has returned to the Agencies with a proposed Amendment No. 1 (attached) to the Agreement, intended to recoup their costs associated with FY 2015/16 program costs and adjust the FY 2016/17 payment formula.

DISCUSSION

Amendment No. 1 enables Thousand Oaks to perform a single “true up” invoice for FY 2015/16. The true up cost calculation will be the difference in per-ride costs as expressed as an average cost of all rides provided for FY 2015/16, less the budgeted per-ride costs, multiplied by the number of rides billed each agency for FY 2015/16. For example, if at the end of FY 2015/16, if after deducting all payments provided to Thousand Oaks for trips provided, Thousand Oaks has a remaining deficit of \$40,000; the remaining \$40,000 will be billed to the Agencies (including Thousand Oaks) based on the percentage of rides provided per Agency.

Beginning in FY 2016/17, Thousand Oaks will no longer bill the Agencies on a fixed per-ride rate; instead, the actual costs for the program for the respective month will be invoiced to the Agencies based upon their respective percentage of rides. For example, if in August 2016, program costs are \$50,000 and 20% of all rides provided were for Moorpark, then Moorpark would be invoiced \$10,000.00. This type of “payment for actual costs” system has been in place between the Cities of Moorpark and Thousand Oaks for Moorpark’s maintenance expenses associated with Moorpark City Transit.

Amendment No. 1 also enables Thousand Oaks to invoice the Agencies for extra services and ancillary expenses associated with the ECTA InterCity ADA and Senior DAR program, such as brochures and passes.

FISCAL IMPACT

The estimated increase in FY 2015/16 costs for Amendment No. 1 is approximately \$12,000.00. The FY 2015/16 budget of \$157,000.00 for InterCity ADA and Senior DAR is expected to cover the additional cost increase. The InterCity and Senior DAR program is funded with a combination of Federal Transit Administration and Transportation Development Act Article 8c funding (both classified in the City’s Fund 5000 account).

STAFF RECOMMENDATION

Authorize the Mayor to sign Amendment No. 1 to the Fiscal Agent Agreement subject to final language approval by the City Manager.

Attachment: Draft ECTA Fiscal Agent Agreement

**FIRST AMENDMENT TO FISCAL AGENT AGREEMENT FOR
INTERCITY DIAL-A-RIDE SERVICES BETWEEN CITY OF THOUSAND OAKS
AND THE PARTICIPATING AGENCIES OF THE EAST COUNTY TRANSIT
ALLIANCE CONSISTING OF THE CITIES OF MOORPARK,
SIMI VALLEY, AND COUNTY OF VENTURA**

Contract No. 10953-2015

THIS FIRST AMENDMENT to the Agreement for InterCity Dial-A-Ride (DAR) services, entered into between **CITY OF THOUSAND OAKS**, a municipal corporation, (hereinafter "City") and **PARTICIPATING AGENCIES OF THE EAST COUNTY TRANSIT ALLIANCE**, (hereinafter "Agencies"), dated June 9, 2015 (hereinafter "Contract"), and titled: Fiscal Agent Agreement, is made this

RECITALS

- A. Whereas on June 9, 2015, City entered into Contract with Agencies to provide InterCity DAR services effective July 1, 2015; and
- B. Whereas City established a per-ride charge for services using available information; and
- C. Whereas Contract stipulates that City shall recover all costs associated with providing service to Agencies; and
- D. Whereas the cost to provide service has exceeded the established per-ride charge for Fiscal Year (FY) 2015-16, resulting in a deficit for City to operate the program; and
- E. Whereas certain unanticipated program costs have occurred beyond those anticipated in Contract; and
- F. Whereas Contract does not provide a mechanism for these costs to be recouped by City from Agencies.

AGREEMENT TO AMEND

NOW, THEREFORE, the undersigned parties to Contract agree to amend Contract as described below:

Part 1. Exhibit C-1, "Schedule of Fees," is hereby deleted and replaced in its entirety as follows:

Fiscal Agent shall bill Agencies on a per-ride basis for year one of the Agreement. Beginning on August 1, 2015, and ending June 30, 2016, this cost shall be \$33.43 per ride, including an administrative overhead charge of \$4.41 per ride. Agencies shall receive credit for all fares collected in year one and all subsequent years of this Agreement.

The InterCity service is a new service. The per-ride cost calculated for year one has attempted to identify all costs including administrative overhead, with the exception of ancillary expenses. Fiscal Agent may return to Agencies requesting an adjustment in the per-ride charge, and must provide supporting documentation. Fiscal Agent shall submit a single "true up" invoice for year one to each Agency, no later than 7/31/16. The cost calculation for the true up invoice shall be the difference in per-ride costs as expressed at an average cost of all rides provided for year one, less the budgeted per-ride costs, multiplied by the number of rides billed each agency for year one.

Fiscal Agent shall calculate a program budget for each subsequent year. Fiscal Agent shall notify Agencies in writing no later than March 1 in the current FY of the estimated program budget for the following FY, beginning July 1, so that Agencies may budget for the program. The program budget shall include all costs to provide service including fees, charges, administrative overhead, and ancillary expenses.

Each Agency shall be responsible for determining its respective program budget, to be approved by its governing body, based on the program budget adopted by the Management Committee.

Each participating Agency shall be billed actual expenses on a monthly basis for the preceding month's service, and billed a percentage of the total expense equal to that Agency's use of the service relative to the whole (including equal share of "other rides"), calculated to the third decimal point and rounded to the whole dollar. Administrative overhead included in the monthly actual expense calculation shall be equal to 1/12th of the administrative overhead budget as identified in the budget adopted by the Management Committee in accordance with the above.

Fiscal Agent shall not incur, and will not be entitled to seek reimbursement for, service costs that exceed the approved Management Committee budget, or individual agency budget, for the CONNECT InterCity program unless approved in writing by Fiscal Agent and agency. Fiscal Agent shall notify each participating agency of total program expenditures, no later than 20 days after the conclusion of the prior month's service. Each agency shall be responsible for monitoring their respective costs and shall notify Fiscal Agent within 10 days of any need to curtail or suspend service for budgetary reasons. Expenses related to "other" rides shall be excluded from curtailment by any one agency unless a majority of agencies agree.

Program expenses shall include, but are not limited to; contractor charges (no additional overhead mark-up), overhead as approved by Management Committee, and fuel (at cost plus \$0.20 per gallon mark-up). Fiscal Agent shall be entitled to compensation for the use of its vehicles to provide service as deemed necessary to meet program requirements. Compensation for use of vehicles shall not exceed a cost that is equal to the proportional share of Fiscal Agent's total cost for fuel and maintenance, where the proportional share is calculated as ECTA use, divided by total use, for those vehicles used in ECTA service in any given month. For example, if the total mileage for vehicles used in ECTA service in any given month is 20,000 miles, and 2,000 miles were used in ECTA service, the proportional use is ten percent. If the cost of fuel and maintenance of said vehicles was \$5,000 for the month, the ECTA proportional share cost would be \$500 ($\$5,000 \times 10\%$).

The annual budget shall be recalculated each year in accordance with the above.

Extra services and ancillary expenses shall be defined and billed at a rate mutually agreeable to Agencies and Fiscal Agent. Mutually agreeable is defined as approved by a majority vote of the Management Committee at an agenda meeting. Extra services and ancillary expense billing shall be approved in writing, and Fiscal Agent shall provide documentation for all extra charges. For year one, upon approval by Management Committee, extra services and ancillary expenses shall be billed to each Agency in equal amounts, not to exceed \$8,000 in the aggregate total (\$2,000 per agency) for year one. In subsequent years, extra services and ancillary expenses shall be included as part of the budgeted administrative overhead. All special expenses exceeding this threshold must be approved by the Management Committee and respective Agency's governing body before the Agency submits expenditures for reimbursement.

Part 2. All terms used in Parts 1 above shall have the meanings ascribed thereto in Contract. Except as amended in Part 1 above, all other sections, terms, obligations, duties, clauses and provisions of Contract shall remain the same.

IN WITNESS WHEREOF, the parties execute this First Amendment to Contract as of the date set forth above.

CITY OF MOORPARK

Date: _____

By: _____
Janice S. Parvin, Mayor

APPROVED AS TO ADMINISTRATION

By: _____
Steven Kueny, City Manager

ATTEST

By: _____
Maureen Benson, City Clerk