




REPORT TO CITY COUNCIL

DATE: AUGUST 13, 2014

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER 

BY: LOUIS CELAYA, DEPUTY CITY MANAGER 
AMY BRINK, DIRECTOR OF COMMUNITY SERVICES 

SUBJECT: THIRD AMENDMENT BETWEEN THE CITY OF AGOURA HILLS AND FIRST TRANSIT, INC., FOR DIAL-A-RIDE SERVICE AND CITY BUS

In 2006, the City entered into an agreement with First Transit, Inc., ("First Transit"), for the provision of Dial-A-Ride services for the City, County of Ventura, and County of Los Angeles for unincorporated areas. The agreement had a termination date of June 30, 2014.

The late notification from the County of Ventura, regarding their election not to renew services for Dial-A-Ride and the Kanan Shuttle, resulted in the inability to determine the potential ridership and accurate revenue hours. Therefore, an updated, renewed and revised three-year agreement with First Transit could not be completed prior to the termination date of the agreement. As a result, First Transit continues to operate the Dial-A-Ride program, while both parties work on an amendment. The language in the current agreement provides for amendments based on mutual agreement by both parties. City staff and First Transit have met and mutually agreed to a one-year amendment based on the estimated revenue hours.

First Transit has submitted a tiered level proposal, with costs based on the estimated revenue hours of 5,500 to 7,000 hours, respectively, for the next year. Under the former agreement, the cost was based on 10,000 revenue hours; therefore, with the departure of the County of Ventura, staff is estimating a 50% reduction in revenue hours. A review of prior fiscal year Agoura Hills Dial-A-Ride data, demonstrates a trend of about 5,500 to 6,000 revenue hours for the year. However, there exists a potential for an increase in ridership once the Kanan Shuttle begins to charge for service. While the reduction in total revenue hours will result in a higher hourly rate (\$69.83 versus \$50.89), overall operation costs will be reduced, as the proposal is based on a reduction of Dial-A-Ride fleet vehicles from eight to four vehicles.

The amendment identifies the new parameters of the scope of service and associated costs, and the current conditions of the master agreement will not change. The estimated cost for operation of the Dial-A-Ride Program is \$384,067. However, staff is preparing the one-year amendment at the not-to-exceed cost of \$399,618 to account for

the potential use of 6,000 revenue hours. The agreement will expire June 30, 2015, and the cost has been appropriated into the FY 2014-2015 Proposition A, Dial-A-Ride budget.

Staff met with the City Council Community Services Subcommittee to discuss the proposed amendment and received their full support. The one-year amendment will afford City staff time to review the Dial-A-Ride Program and determine the exact ridership, more accurate revenue hours, and destination issues. This will also provide time for staff to prepare a request for proposal to ensure the City is receiving the best possible rate when the time comes to establish a new three-year Dial-A-Ride transportation agreement.

The proposed amendment has been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends the City Council approve the Third Amendment Between the City of Agoura Hills and First Transit, Inc. for Dial-A-Ride Services and City Bus.

Attachment: Third Amendment to Agreement with First Transit, Inc.

AGREEMENT (AMENDMENT) ROUTING SLIP FOR

First Transit Inc.

Contractor Name (Up to \$25K and Over Amendment)

Attached, please find (check one of the following boxes):

- Note:** As all Amendment templates are customized, Outside Agency Amendment review and approval is required (Section 1) Complete Sections 1 and 2
- City Agreement Amendment Complete Sections 1 and 2 Special Amendment Complete Sections 1 and 2

Section 1 – Approve template and/or changes to insurance: Receive Department Head approval to amend agreement. Check with Risk Manager for insurance and/or template amendments. Risk Manager will authorize emailing City Attorney for amendment template review and approval. Attach City Attorney email response (approval) to this slip.

- | | |
|--|--|
| <input type="checkbox"/> _____ (Dept. Head Initials/Date)
Authorization to Amend Agreement | <input type="checkbox"/> _____ (Risk Manager Initials/Date)
Approval to Forward to City Attorney |
| <input type="checkbox"/> _____ (Risk Manager Initials/Date)
Insurance Amended (See Notes Below) | <input type="checkbox"/> _____ Staff Initials(From No. 1 Below)
City Attorney Email Approval Attached |
| <input type="checkbox"/> _____ (Risk Manager Initials/Date)
Approve Template (See Notes Below) | <input type="checkbox"/> _____ Staff Initials/Date
Other (See Notes Below) |

Section 2 – Signed amendment received from Contractor. Sign/date and attach this routing slip to the proposed amendment and route to staff in the order listed below (i.e., 2-4). Submit the signed amendment, including the appropriate insurance and endorsement, with this completed routing slip, to the Risk Manager (insurance review/approval) who will forward to the City Clerk for final review/distribution. Amendments without the appropriate insurance attached will be returned to the department. A copy of the final amendment will be provided to the Contractor and the staff person (in Item No. 1 below)

1. Scott Cebey 7/23/14
Prepared by (Staff Name/Date)
2. _____
Department Head – Date
(Authorization to forward to Risk Mgr/Clerk)
3. _____
Risk Manager – Date
(Insurance Review/Approval)
4. 5/19 _____
City Clerk – Date
(Formal Review/Final Distribution)

- FOR CITY CLERK USE ONLY -

Year: _____ Month/Day: _____
Amendment/Insurance Received: _____
To City Attorney for Signatures: _____
To City Manager/Mayor for Signatures: _____
City Attorney Email/Scope Attached: _____
Distributed to Contractor/Staff: _____
Laserfiche/Log/Index/File: By: _____
Insurance Logged: By: _____

Notes:

**THIRD AMENDMENT TO AGREEMENT FOR CONTRACTOR SERVICES
WITH THE CITY OF AGOURA HILLS**

NAME OF CONTRACTOR:	First Transit Inc.
RESPONSIBLE PRINCIPAL OF CONTRACTOR:	Attn: Nick Promponas
CONTRACTOR'S ADDRESS:	7485 Willow Dr., Ste. 103 Tempe, AZ 85283
CITY'S ADDRESS:	City of Agoura Hills 30001 Ladyface Court Agoura Hills, CA 91301 Attn: City Manager
PREPARED BY:	Louis Celaya
COMMENCEMENT DATE:	July 1, 2014
TERMINATION DATE:	June 30, 2015
CONSIDERATION:	Amendment Amount: \$399,618 Total Contract Price \$69.83/hr or \$66.60/hr Not to Exceed: \$399,618/yr

**THIRD AMENDMENT TO AGREEMENT BETWEEN
CITY OF AGOURA HILLS AND FIRST TRANSIT INC.**

CITY DIAL-A-RIDE SERVICE AND CITY BUS

THIS THIRD AMENDMENT is made and entered into as of July 1, 2014, by and between the City of Agoura Hills, a municipal corporation (hereinafter referred to as "City"), and First Transit Inc., (hereinafter referred to as "Contractor"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. This Amendment is made with the respect to the following facts and purposes:

a. On July 1, 2011, the City and Contractor entered into that certain Agreement entitled "Agreement for the City's Dial-A-Ride Service and City Bus, in the amount of Four Hundred Eighty Five Thousand Dollars and Zero Cents (\$485,000.00),

b. On June 26, 2013, the City and Contractor entered into the First Amendment to that certain Agreement entitled "First Amendment to Agreement for Between the City of Agoura Hills and First Transit Inc. – Kanan Shuttle to add scope of work, to extend the term, and to increase the payment in the amount of Two Hundred Twenty Four Thousand Four Hundred Ninety Seven Dollars and Zero Cents (\$224,497.00) for a six month period.

c. On October 31, 2013, the City and Contractor entered into the Second Amendment to that certain Agreement entitled "First Amendment to Agreement for Between the City of Agoura Hills and First Transit Inc. – Kanan Shuttle to increase the payment in the amount of Two Hundred Sixty Thousand Four Hundred Seventy Seven Dollars and Zero Cents (\$260,477.00) for the continued successful operation of the Kanan Shuttle.

d. The parties now desire to, extend the term of the agreement to June 30, 2015, increase the payment in the amount of Three Hundred Ninety Nine Thousand Six Hundred Eighteen Dollars and Zero Cents (\$399,618.00) and to amend the Agreement as set forth in this Amendment.

2. Section 1 of the Agreement entitled "**TERM**" is hereby amended to read as follows:

"This Agreement shall remain and continue in effect until tasks herein are completed, but in no event later than June 30, 2015 unless sooner terminated pursuant to the provisions of this Agreement."

3. Section 3 of the Agreement entitled "**CITY OBLIGATIONS (PAYMENT)**" is hereby amended to read as follows:

"The City agrees to pay Contractor monthly, in accordance with the payment rates and schedules and terms set forth in Exhibit B, Payment Rates and Schedule, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the

above tasks. Any terms in Exhibit B, other than the payment rates and schedule of payment, are null and void. The First Amendment amount shall not exceed Two Hundred Twenty Four Thousand Four Hundred Ninety Seven Dollars and Zero Cents (\$224,497.00). The Second Amendment amount shall not exceed Two Hundred Sixty Thousand Four Hundred Seventy Seven Dollars and Zero Cents (\$260,477.00). The Third Amendment amount shall not exceed Three Hundred Ninety Nine Thousand Six Hundred Eighteen Dollars and Zero Cents (\$399,618.00) for an additional year of Dial-A-Ride Service and City Bus for a total Agreement amount of One Million Three Hundred Sixty-Nine Thousand Five Hundred Ninety-Two Dollars and Zero Cents (\$1,369,592.00).

4. Exhibit "B to the Agreement is hereby amended by adding thereto the items set forth on Attachment "A" to this Amendment, which is attached hereto and incorporated herein as though set forth in full.

5. Except for the changes specifically set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Agreement to be executed the day and year first above written.

CITY OF AGOURA HILLS

First Transit Inc.
7581 Willow Drive, Ste. 103
Nick Promponas
(480) 456-5600
f(480) 456-5603

William D. Koehler,
Mayor

By: _____

ATTEST:

Print Name: _____

Title: _____

Kimberly M. Rodrigues, MMC
City Clerk
Date Approved by City Council _____

By: _____

Print Name: _____

Title: _____

APPROVED AS TO FORM:

[Signatures of Two Corporate Officers Required]

Candice K. Lee,
City Attorney

**ATTACHMENT A
TO EXHIBIT B**

Attached hereto and incorporated herein is the additional scope of work and associated cost as provided by the Contractor as provided in this Third Amendment.

First Transit, Inc.			
Agoura Hills			
Fleet reduced to 4 mini-vans			
BASE LEVEL of SERVICE - 5,500 REVENUE HOURS			
	<u>Year 1</u>	<u>Year 2</u>	
Estimated Total Cost	\$ 384,097	\$ 403,837	
Est. Annual Revenue Hours	5,500	5,500	
Total Cost/Rev. Hour	\$ 69.83	\$ 73.43	
6,000 REVENUE HOURS			
	<u>Year 1</u>	<u>Year 2</u>	
Estimated Total Cost	\$ 398,618	\$ 420,814	
Est. Annual Revenue Hours	6,000	6,000	
Total Cost/Rev. Hour	\$ 66.60	\$ 70.14	
6,500 REVENUE HOURS			
	<u>Year 1</u>	<u>Year 2</u>	
Estimated Total Cost	\$ 415,327	\$ 437,982	
Est. Annual Revenue Hours	6,500	6,500	
Total Cost/Rev. Hour	\$ 63.90	\$ 67.38	
7,000 REVENUE HOURS			
	<u>Year 1</u>	<u>Year 2</u>	
Estimated Total Cost	\$ 434,468	\$ 458,747	
Est. Annual Revenue Hours	7,000	7,000	
Total Cost/Rev. Hour	\$ 62.07	\$ 65.54	

Based Fuel Cost: \$3.75 per gallon

Proposed Charter Service Rate: \$54.09/hr

First Transit will be alleviated of provision of spare vehicle. City owned vehicle will be used.