



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:		DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...	GENERAL MANAGER ACTION REQ'D: No		
DATE: 11/4/2024		11/14/2024	BOARD INITIATED ITEM: No		
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Signature/Date: 11/12/2024	11/12/2024	11/12/2024		11/12/2024	
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Authority to execute Agreement No. 6M6190 for East Bay Paratransit Brokerage and Service Provision

PURPOSE:

To obtain Board authorization for the General Manager to execute, jointly with the Alameda-Contra Costa Transit District (AC Transit), Agreement No. 6M6190 (the Agreement) with Transdev Services, Inc. (Transdev) to provide federally-mandated paratransit services for the East Bay Paratransit Consortium (EBPC) for a four-and-a-half year base contract period (January 1, 2025 to June 30, 2029) plus a five-year extension option through June 30, 2034.

DISCUSSION:

Since 1996, BART and AC Transit have jointly provided ADA paratransit services in their overlapping service area as the EBPC. The service is currently managed by Transdev, a contracted broker. Transdev’s contract has been extended several times, including most recently until December 31st, 2024, to allow time for completion of the procurement of a new contract. AC Transit conducted the procurement, which was subject to its rules and procedures and any applicable equity programs. AC Transit issued a Request for Proposals (RFP) on November 26, 2023 and announced the RFP on its procurement website, the Oakland Tribune, and the APTA Passenger Transport magazine, and sent notification to firms in the agency’s internal databases and the CalAct Directory.

As with the existing paratransit broker contract, the RFP required the broker to subcontract with one or more service providers (SPs). The broker manages the operation and ensures quality control, and the SPs provide the vehicles and drivers. In this RFP, the approach was adjusted from the previous contract by allowing the broker to also provide up to 55 percent of the service. This adjustment was made following a 2018 Service Model Analysis conducted by staff to evaluate options for improving paratransit service delivery, to make the

RFP more attractive to potential bidders.

AC Transit received one proposal, from the incumbent firm (Transdev), by the due date of January 30, 2024. A selection committee comprised of staff from BART, AC Transit, and the Golden Gate Bridge Highway and Transit District reviewed the proposals. The evaluators concluded that the proposal met the minimum criteria established in the RFP and that Transdev is highly qualified to provide paratransit Broker services.

Transdev's proposal includes several smaller overflow providers and the following three main service providers: MV Transit, RydeTrans, and FirstTransit (a subsidiary of Transdev). Service providers will be paid through the broker according to all-inclusive fixed hourly rates. Fuel/energy costs are not included in the hourly rates and are directly reimbursed by EBPC. EBPC will be billed only for the actual hours of service provided, which may vary based on trends in demand for paratransit services. This agreement will fund the total estimated number of paratransit service hours needed for the length of the contract.

The new contract represents higher costs for providing paratransit services compared to previous years. For example, BART paid \$17.6M in FY24 for EBP expenses compared to an estimated \$24M to be paid in FY26. Major factors driving the increased costs include increased demand for paratransit service; higher driver wage rates reflected in the service provider's collective bargaining agreements; the rising cost of insurance; and costs associated with purchasing new vehicles to replace the existing aging fleet. The EBPC has several initiatives in place to contain costs going forward, including transition to a new software that will more efficiently route vehicles; implementation of a travel training program to facilitate use of fixed route transit; and future implementation of conditional eligibility for paratransit service.

Staff reviewed the proposal and found driver wages and overall hourly billing rates to be comparable with other agencies in the region. Before exercising the 5-year option, prices will be reviewed again for reasonableness in the context of market conditions.

The AC Transit Board of Directors approved the contract award to Transdev on November 13, 2024.

The Office of the General Counsel will approve the agreement as to form prior to execution.

FISCAL IMPACT:

According to the EBPC cost sharing agreement, BART and AC Transit will pay 31% and 69%, respectively, of EBPC costs. Agencies pay 100% of the costs of any special services not related to EBPC. BART's estimated maximum obligation under this contract, including

estimated fuel costs, is \$296,580,800, including \$120,721,100 for the 4.5-year base Agreement covering the period January 1, 2025 – June 30, 2029, and \$175,859,700 for the 5 year extension option covering July 1, 2029-June 30, 2034.

	BART's Share of Service Costs	BART's Share of Fuel Costs	BART's Total Costs
Base contract (4.5 yrs)			
Year 1: FY 24-25 (Jan 1 - Jun 30)	\$ 10,143,200	\$ 908,300	\$ 11,051,500
Year 2: FY 25-26	\$ 22,530,800	\$ 1,416,700	\$ 23,947,500
Year 3: FY 26-27	\$ 25,125,500	\$ 1,543,800	\$ 26,669,300
Year 4: FY 27-28	\$ 26,319,000	\$ 1,643,000	\$ 27,962,000
Year 5: FY 28-29	\$ 27,658,200	\$ 1,723,600	\$ 29,381,800
Allowances*	\$ 1,209,000	\$ -	\$ 1,209,000
Special services**	\$ 500,000	\$ -	\$ 500,000
Total Base Contract Costs	\$ 113,485,700	\$ 7,235,400	\$ 120,721,100
Option period (5 years)			
Years 6-10 (FY30-FY34) including allowances & special services	\$ 165,540,700	\$ 10,319,000	\$ 175,859,700
Total BART Obligation			
Grand total	\$ 279,026,400	\$ 17,554,400	\$ 296,580,800

*Allowances cover potential additional broker expenses such as possible office relocation expenses.

**Special services are services not part of EBP operations and requested by only one agency. For BART, this includes expenses for a Regional Trip Coordinator to assist customers in scheduling trips involving transfers to other paratransit providers, and for elevator mitigation trips when BART elevators go out of service. Special services are paid 100% by the requesting agency.

The cost to BART for these expenses will be charged to the Customer Access and Accessibility Department operating budget (Department #1102492, Account # 686630). In FY25, costs are expected to exceed the budgeted amount for this expense by \$1.5M; at budget adoption the RFP process for this procurement was still underway. In FY26 and subsequent years, staff will adjust the budget amount to match expected spending on the contract. Actual spending will be determined by the demand for paratransit service. Staff have included a conservative contingency amount should ridership exceed projections.

This action is not anticipated to have any Fiscal impact on unprogrammed BART reserves in the current Fiscal Year. Funding for subsequent years will be included in the proposed annual operating budget, which is subject to Board approval.

ALTERNATIVES:

BART could reject the proposal, ask for a contract extension from Transdev, seek approval of the extension from the AC Transit and BART Boards before December 31st, 2024 when the current contract expires, and then conduct a new solicitation. This is not likely to result in additional proposals or better prices at this time and could impact the agencies' ability to provide federally mandated paratransit service. By delaying replacement of the aging paratransit fleet, it would adversely affect the agencies' ability to meet service quality standards.

RECOMMENDATION:

It is recommended that the Board adopt the following motion:

MOTION:

The General Manager is authorized to execute, jointly with AC Transit, Agreement No 6M6190 (AC Transit Agreement 2025-1606) to provide paratransit services for the East Bay Paratransit Consortium with Transdev Services, Inc., and to exercise the Options, for a total contract amount of \$953,070,000 (including the Options). BART's share of the cost of the Agreement for such services shall be an amount not to exceed \$279,026,400 for all services (including options, allowances, and special services requested and paid for separately by BART), and an estimated \$17,554,400 in fuel/energy costs, which will be reimbursed at cost and not subject to the NTE limit, for a grand total estimated BART obligation of \$296,580,800 over the 9.5 year maximum contract term.