



## EXECUTIVE DECISION DOCUMENT

<b>GENERAL MANAGER APPROVAL:</b> <div style="float: right; border: 1px solid black; padding: 2px; margin-top: 5px;"> <small>DocuSigned by:</small>  <i>Michael Jones</i>  <small>47000790F2D7463...</small> </div>		<b>GENERAL MANAGER ACTION REQ'D:</b>		
<b>DATE:</b> 4/25/2023      5/18/2023		<b>BOARD INITIATED ITEM:</b> No		
<b>Originator/Prepared by:</b> Laura Timothy <b>Dept:</b> Customer Dev & Station Access <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"> <small>DocuSigned by:</small>  <i>Laura Timothy</i>  <small>E7EC52928A974A4...</small> </div> <b>Signature/Date:</b> <div style="text-align: right;">5/17/2023</div>	<b>General Counsel</b> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"> <small>DocuSigned by:</small>  <i>Jana Belan</i>  <small>F8FD7B3A73E74E8...</small> </div> <div style="text-align: right;">5/17/2023 [ ]</div>	<b>Controller/Treasurer</b> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"> <small>DocuSigned by:</small>  <i>Chris Gan</i>  <small>EE11C8CEEEA04FD...</small> </div> <div style="text-align: right;">5/17/2023 [ ]</div>	<b>District Secretary</b> <div style="text-align: right;">[ ]</div>	<b>BARC</b> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"> <small>DocuSigned by:</small>  <i>Val Menotti</i>  <small>AA8F1409A8F748E...</small> </div> <div style="text-align: right;">5/18/2023 [ ]</div>

### Authority to extend Agreement No. 6M6062A for East Bay Paratransit Brokerage and Service Provision for One Year

#### PURPOSE:

To obtain Board authorization for the General Manager to execute, jointly with Alameda-Contra Costa Transit District (AC Transit), an amendment to Agreement No. 6M6062A (Agreement) with Transdev Services, Inc. (Transdev) to extend the term of the Agreement for one (1) additional year.

#### DISCUSSION:

Since 1996, BART and AC Transit have been working in collaboration to provide ADA paratransit services in their overlapping service area as the East Bay Paratransit Consortium (EBPC). An EBPC Procurement Update providing a roadmap on activities was presented to the BART Board on January 26, 2023.

AC Transit is the lead agency for the procurement of services. Service is currently operated by Transdev, a contracted broker, which oversees the day-to-day operations of the paratransit services. Transdev, in turn, works with subcontractors, which provide vehicles and drivers, to ensure that the service is provided efficiently and effectively to the riders of the East Bay area. The existing Agreement with Transdev was approved by both BART and AC Transit in 2013 and is scheduled to end on June 30th, 2023.

In 2018, staff conducted a Service Model Analysis of the East Bay Paratransit system which considered switching to a turnkey model, as an alternative to the current broker model, for the provision of paratransit services. Under a turnkey model, one firm would perform all

the functions of the broker as well as all the functions of the subcontracted service providers. The broker model requires a separate entity to oversee and monitor the performance of the firm.

Staff had considered adding both turnkey and broker model options in the next Request for Proposal (RFP) for services. Due to ongoing pandemic-related challenges such as vaccine mandates, a struggling economy, and labor shortages, it was decided, however, that adding the turnkey option would not be in the best interest of the EBPC due to the additional complications and oversight required to change models. This delayed AC Transit's release of a new RFP for services beyond the term of the current Agreement because the new RFP was initially designed to allow prospective bidders to bid on one or both service model options.

This Agreement extension will ensure the continuity of a vital service to the most vulnerable communities the agencies serve. The extension will allow sufficient time for the release of the new RFP, for prospective bidders to conduct a competitive procurement for subcontractors, for award of a new agreement and it will allow time for a transition period, if necessary. Transdev has agreed to a one year extension under the same terms as the current agreement but with an 8.6% cost escalation. Staff has determined that such an escalation is fair and reasonable.

The AC Transit Board of Directors considered and approved the one-year agreement on May 10, 2023.

#### **FISCAL IMPACT:**

Under the proposed terms of the extension, the maximum obligation for BART for all services and costs, except fuel (which will be paid separately), will not exceed \$14,767,555.

The total amount for the Agreement extension, except fuel costs, will not exceed \$47,637,274 for the period July 1, 2023, through June 30, 2024. These costs will continue to be split between BART and AC Transit using the cost sharing percentages set forth in the EBPC agreement. As such sixty-nine (69%) percent of costs will be owed by AC Transit, i.e. amount not to exceed \$32,869,719, and BART will owe thirty-one (31%) percent of costs, i.e. an amount not-to-exceed \$14,767,555.

Fuel costs will be paid to Transdev separately based on actual costs incurred. These costs are subject to the same 69%/31% split between BART and AC Transit. It is estimated that BART's share of fuel costs will be \$962,000.

The cost to BART for these expenses (including fuel) was budgeted in the FY2024 and FY2025 District operating budget and is included in the Customer Access and Accessibility Department operating budget (Department #1102492, Account # 686630). The cost for this one-year extension is \$1,173,472 more than the current year budget of \$13,594,083. This

includes the 8.6% negotiated cost escalation which staff found to be fair and reasonable. Because this is a cost reimbursement agreement, actual expenses may be less than the budgeted or contract amount and will be adjusted accordingly.

This action is not anticipated to have any Fiscal impact on unprogrammed District 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 Agreement extension proposal with Transdev and re-solicit new proposals independently from AC Transit. However, this is at odds with our longstanding agreement with AC Transit and is not likely to result in proposals or better prices that would meet the time frame for this extension and could adversely impact BART's ability to provide federally mandated paratransit service.

**RECOMMENDATION:**

It is recommended that the Board adopt the following motion:

**MOTION:**

Authorize the General Manager to execute, jointly with AC Transit, a one (1) year extension of time to Agreement No. 6M6062 (AC Transit Agreement 2013-1243), entitled, East Bay Paratransit Consortium, ADA Paratransit Services for AC Transit and BART, for an amount not to exceed \$14,767,555, plus actual fuel costs, for Fiscal Year 2024.