

31530

January 4, 2013

To: The Honorable Board of Acquisition and Contract

From: Jay T. Pisco, P.E.
Commissioner of Public Works and Transportation

Evan Latainer
Director, Office for the Disabled

Re: **Authorization to amend an agreement with Suburban Paratransit Service, Inc. ("Suburban") for the provision of Paratransit Services in Westchester County for the period January 1, 2012 through December 31, 2014**

The Americans with Disabilities Act mandates Westchester County provide Paratransit services for people whose disabilities prevent them from using fixed route buses. The County meets this obligation through its Paratransit Program which has been in existence since 1983. In 2009, the County issued an RFP for Paratransit services. As a result of the RFP process and after analyzing the four proposals received in response to the RFP, the County contracted with Suburban Paratransit Service, Inc. (the "Agreement") for the term January 1, 2010 through December 31, 2011, with the County's option to extend the Agreement for one additional three year period.

By a resolution approved on November 17, 2011, the County entered into a First Amendment and Extension Agreement with Suburban to continue to provide services for the three year option period commencing January 1, 2012 under a revised pricing structure negotiated with Suburban. The proposed resolution authorizing the amendment of the Suburban contract is necessary to provide additional funds to cover services needed through the end of the 2012. These funds are necessary as the cost for the services increased due to a spike in ridership, which was due to the mild winter. Another contributing factor to the increase in costs were rising fuel costs. The financial burden created has led the County to begin to expand the innovative taxi program, which was implemented last year as a pilot program. As a result, new contract terms with Suburban were negotiated.

Earlier this year, in an effort to provide additional alternatives for customers of the Paratransit service while reducing overall costs of the Paratransit Program, the County implemented a Taxi Pilot program in the City of White Plains. The County contracted with a local taxi company to provide rides for White Plains customers that opted to utilize taxi service in lieu of the larger vehicles provided by Suburban. Since the Taxi Pilot Program has been successful in White Plains, the County plans to expand the Taxi Pilot Program into the Cities of Peekskill and New Rochelle. If successful, the Taxi Pilot Program would further expand to other municipalities.

In order to address the County's plan to expand the alternatives available to paratransit riders, the County has re-negotiated the contract terms with Suburban. Specifically, to account for the anticipated decrease in services due to other alternatives being offered to paratransit riders, the contract with Suburban will be amended to provide that the County may reduce the estimated services by up to 30% in 2012, 40% in 2013 and

up to 50% in 2014. The contract will also be amended to reflect that Suburban shall be responsible for all fuel costs rather than the County; in the event fuel costs exceed \$4.50/gal., the County and Suburban shall split equally the fuel costs in excess of \$4.50/gal. The County will continue to provide all of the gasoline and diesel fuel necessary to operate the system and the cost of that fuel will be deducted from Suburban's gross billing each month, as will the amount of fares collected by Suburban each month. The "Not To Exceed" amount is calculated by deducting the cost of fuel incurred by the County and the fares collected by Suburban in order to determine the net amounts the County owes Suburban.

As a result of the shift in fuel costs, the hourly rates to be paid under the contract shall be changed as follows:

<u>Service</u>	<u>Current 2012</u>	<u>Amended 2012</u>
ParaTransit Vans	\$51.21	\$54.96
Keon Shuttle	\$68.17	\$71.84
Transit Connect	\$47.98	\$49.73

The not to exceed dollar amounts have also been revised to reflect the changes in the rates and the re-negotiated CPI adjustments as follows:

	<u>2012</u>	<u>2013</u>	<u>2014</u>
CPI Increase	3.32%	1%	Max Cap 3%
Not To Exceed	\$8,400,000	\$8,484,000	\$8,738,520

The required amounts of the performance and payment bonds will be adjusted to reflect the new not to exceed dollar amounts for years 2013 and 2014 in accordance with the contract terms. Suburban has also agreed that it will attend monthly meetings with County staff to discuss performance and monitor costs of the Paratransit Program, as well as, to continue to revise schedules presented by County staff in order to increase efficiency and reduce costs. Additionally, Suburban and County staff will cooperate in the development of benchmarks for measuring the improved efficiencies of the service.

The proposed amendment serves a public purpose as it continues to provide for the safety and welfare of County residents using paratransit services within the County. Performance of Suburban will continue to be monitored by the Office for the Disabled and the Department of Public Works and Transportation to ensure compliance with the Agreement terms. In view of the importance of the Paratransit Program to the County's residents, we urge approval of the attached resolution.

RESOLUTION

Based on a communication from the Commissioner of Public Works and Transportation and the Director of the Office for the Disabled, be it hereby

RESOLVED, that the County is authorized to amend its agreement with Suburban Paratransit Service, Inc. ("Suburban") for Countywide Paratransit services ("Agreement") for the period January 1, 2012 through December 31, 2014 to reflect the following not-to-exceed dollar amounts and CPI adjustments as follows:

	<u>2012</u>	<u>2013</u>	<u>2014</u>
CPI Increase	3.32%	1%	Max Cap 3%
Not To Exceed	\$8,400,000	\$8,484,000	\$8,738,520

; and be it further

RESOLVED, the hourly rates shall be amended as follows:

<u>Service</u>	<u>Current 2012</u>	<u>Amended 2012</u>
ParaTransit Vans	\$51.21	\$54.96
Keon Shuttle	\$68.17	\$71.84
Transit Connect	\$47.98	\$49.73

; and be it further

RESOLVED, that the Agreement be amended to provide that in the event the County implements additional innovative paratransit service alternatives including, but not limited to taxis and black car services, the County may reduce the estimated required services by up to 30% in 2012, 40% in 2013 and up to 50% in 2014; and be it further

RESOLVED, that the Agreement be amended to reflect that commencing January 1, 2012, Suburban shall be responsible for all fuel costs, including supervisory and relief vehicles and in the event fuel costs exceed \$4.50/gal., the County and Suburban shall split the costs equally in excess of \$4.50/gal; the County will continue to provide all of the gasoline and diesel fuel necessary to operate the system and the cost of the County provided fuel will be deducted from Suburban's gross billing each month, as will the amount of fares collected by Suburban each month. The "Not To Exceed" amount indicated will be the net of Suburban's gross annual billing, less the cost of fuel/gas and the fares collected and deposited to Suburban; and be it further

RESOLVED, that performance security shall be in the following amounts:

	<u>2012</u>	<u>2013</u>	<u>2014</u>
Performance and Payment Bond	\$1,750,000	\$2,121,000	\$2,184,630

; and be it further

RESOLVED, that the Agreement be amended to require that Suburban will attend monthly meetings with County staff to discuss performance and monitor costs of the Paratransit Program, as well as, cooperate with County staff in the development of benchmarks for measuring the improved efficiencies of the service; and be it further

RESOLVED, that all other terms and conditions of the Agreement with Suburban applicable to the Agreement Extension Period shall remain the same; and be it further

RESOLVED, that this Agreement is subject to County appropriations; and be it further

RESOLVED, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such releases(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to re-negotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

RESOLVED, that the County Executive or his duly appointed designee is authorized to execute all documents associated with this agreement.

Original Agreement: \$18,655,000.00
 First Amendment: \$21,210,000.00
 This Amendment: \$4,412,520.00
 Total: \$44,277,520.00

Account to be Charged/Credited	Fund	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
2012	101	11	0600	4925		\$1,400,000.00
2013	101	44	2100	4925		\$1,484,000.00
2014	101	44	2100	4925		\$1,528,520.00

Budget Funding Year(s) 2012-2014 Start Date: January 1, 2012 End Date: December 31, 2014
 (must match resolution)

Funding Source: Tax Dollars \$4,412,520.00
 State Aid _____
\$4,412,520.00 Federal Aid _____
 (must match resolution) Other _____