

### Transportation Committee

For the Metropolitan Council meeting of: December 9, 2019

**Subject:** Hennepin County Transit Link Agreement

#### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute an agreement with First Transit to provide Transit Link service in Hennepin County from February 1, 2020 through April 30, 2021, in an amount not to exceed \$2,500,000.

#### Summary of Committee Discussion/Questions

Metropolitan Transportation Services Senior Project Administrator Sheila Williams presented this item.

Committee member Chamblis asked about the proposed minimum wage. Williams responded that the minimum hourly wage is \$17.50. Committee member Sterner asked if Midwest Paratransit would continue the contract if there was additional funding. Contracted Transit Services Manager John Harper responded that staff had discussed service delivery issues with Midwest Paratransit and the vendor brought up their concern with sustainability of the current contract. Harper continued that staff believe it is in the best interest of the Council to move the contract to a different vendor. Sterner asked if this move to a different vendor is temporary. Harper answered yes, the move is temporary as the 5-year contract agreements are almost at the end of cycle, so this contract will end up being bid and procured competitively.

Motion by Atlas-Ingebretson, seconded by Sterner. Motion carried.

## Transportation Committee

Meeting date: December 9, 2019

For the Metropolitan Council meeting December 11, 2019

**Subject:** Hennepin County Transit Link Agreement

**District(s), Member(s):** 1-Judy Johnson, 2-Reva Chamblis, 3-Christopher Ferguson, 5-Molly Cummins, 6-Lynnea Atlas-Ingebretson, 7-Robert Lilligren, 8-Abdirahman Muse

**Policy/Legal Reference:** Council Policy 3-3 Expenditures Policy

**Staff Prepared/Presented:** Nick Thompson, Director MTS (651)602-1754

Jody Jacoby, Director Contracts and Procurement (651)602-1144

Gerri Sutton, Asst. Dir. Contracted Transit Services (651)602-1672

John Harper, Manager Contracted Transit Services (651)602-1744

Sheila Williams, Senior Project Administrator (651)602-1709

**Division/Department:** Metropolitan Transportation Services (MTS)

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a Sole Source agreement with First Transit to provide Transit Link service in Hennepin County in an amount not to exceed \$2,500,000.

### Background

Transit Link is the Council's general public dial-a-ride program that provides service in portions of the seven-county metro area where regular route transit service is not available. The Council provides Transit Link services by procuring multi-year operating agreements directly with contractors and by allowing counties to administer the service in their respective areas. Transit Link contractors are required to maintain full compliance with Council established program policies and all applicable state and federal laws and regulations.

### Rationale

Midwest Paratransit Services, the current service contractor, has requested to be released early from their contract that would term June 30, 2020. Staff believe it is in the best interest of the Council to accept the termination.

Implementing this service requires a significant investment in personnel, technology, vehicles, and equipment and other infrastructure, provided both by the Council and contractor, in order to be successful in all implementations. Because this is an existing service, the new contractor must be prepared to inherit the service (including the vehicles) from the incumbent without a service interruption. There are limited contractors who can step-in to transition the service.

Staff identified First Transit and Transit Team as the two contractors able to accomplish the transition given their geographical location and experience. Staff consulted with both contractors on this short-term contract opportunity. Transit Team declined the offer and First Transit accepted the offer.

Transitioning service to a different contractor is a substantial undertaking that includes hiring or transferring approximately 25 drivers, transferring Council-owned vehicles and technology assets, reconfiguring technology systems, and

information dissemination to the public. Because of the significant investment the recommendation is to approve a Sole Source contract for 15-months (February 1, 2020 – April 30, 2021) with First Transit due to the unique nature of the service and technology, experience of contractor, and the ability to prevent a service lapse.

### **Thrive Lens Analysis**

This action supports a number of Thrive Outcomes. First, the Transit Link program supports Livability by increasing mobility opportunities for residents living within the suburban and non-urban areas who do not have access to regular route service. This action supports Stewardship and Sustainability because it safeguards Council assets and preserves our capacity to support our region's wellbeing over the long term.

### **Funding**

Funding for this service is included in the MTS annual operating budget.

### **Known Support / Opposition**

First Transit supports this action and there is no known opposition.