

Transportation Committee

Meeting date: June 9, 2014

For the Metropolitan Council meeting of June 25, 2014

Subject: Authorization to Amend Metro Mobility Operating Contracts

District(s), Member(s): All

Policy/Legal Reference: Council Policy 3-3 Expenditures – Procurement of Goods and Services over \$250,000.

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Division/Department: Transportation/Metropolitan Transportation Services (MTS) – Metro Mobility

Proposed Actions

That the Metropolitan Council authorize the Regional Administrator to amend two Metro Mobility operating contracts:

1. Contract 09P223 with Transit Team, Inc. to increase the maximum total contract amount by \$6,481,078 to a revised \$84,651,596 total and extend the term to August 29, 2015.
2. Contract 09P224 with First Transit, Inc. to increase the maximum total contract amount by \$10,516,710 to a revised \$65,578,252 total and extend the term to August 29, 2015.

Background

The current service contracts with First Transit, Inc. and Transit Team, Inc. are nearing completion of the fourth year of five-year agreements. These contracts require increased maximum authority because 1) ridership levels have consistently exceeded original contract assumptions, 2) communities in Washington County were added to the First Transit contract in July 2013 increasing service beyond the original scope, and 3) the contracts will be extended two months.

Rationale

The increase in contract values is needed to preserve current Metro Mobility service levels in a quality manner through the extended contract term. To ensure a smooth transition to the new three contractor (3C) model in 2015, new contract start dates will be staggered. The new Metro South contract will begin on May 3, 2015 and the Metro East and Metro West contracts will begin on August 30, 2015. This requires adjustments to all five existing agreements.

- 1) Transit Team, Inc. - The Metro South contract start-up will include transferring the cities of Bloomington, Richfield, and Fort Snelling from the current Transit Team contract to Metro South on May 3, 2015. This change materially reduces the number of revenue hours in the Transit Team contract for the remainder of the term resulting

in increasing the hourly rate from \$47.53 per hour to \$54.66. The contract will be extended from June 30, 2015 to August 29, 2015.

- 2) First Transit, Inc. - The Metro South contract start-up transfers the cities of Newport, St. Paul Park and Cottage Grove from the First Transit contract to Metro South on May 3, 2015 but results in no rate adjustment for the remainder of the contract term. The contract will be extended from June 30, 2015 to August 29, 2015.
- 3) DARTS – The contract with DARTS for Dakota County service will be terminated early to accommodate the change to the 3C model and the start-up of South Metro contract. The original termination date of June 30, 2015 will be amended to May 2, 2015.
- 4) Scott County - The contract with Scott County for Scott and Carver counties service will be terminated early to accommodate the change to the 3C model and the start-up of South Metro contract. The original termination date of June 30, 2015 will be amended to May 2, 2015.
- 5) Anoka County – The contract with Anoka County will be amended to accommodate the change to the 3C model and start-up of the Metro East and Metro West contracts. The original termination date of June 30, 2015 will be amended to August 29, 2015.

The new 2015 Metro South, Metro West and Metro East contracts will all be competitively procured.

Funding

Funding is available in the 2014 Metro Mobility annual operating budget and will be in the proposed 2015 budget. Metro Mobility ridership has increased annually at rates exceeding the original projections made in 2009. The annual operating budgets were adjusted and approved each year by the Council to accommodate the increase in ridership within the terms of the contract, but the five-year contract maximum spending amounts were not adjusted accordingly.

Known Support / Opposition

No known opposition.