



COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY
DEPARTMENT OF PUBLIC WORKS
950 MAIDU AVENUE, NEVADA CITY, CA 95959-8617
(530) 265-1411 FAX (530) 265-9849 www.mynevadacounty.com

Sean Powers
Community Development Agency Director

Trisha Tillotson
Director of Public Works

File:

NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: August 27, 2019

TO: Board of Supervisors

FROM: Trisha Tillotson, Director of Public Works

SUBJECT: **Resolution Approving Amendment No. 7 to the Agreement between the County of Nevada and Paratransit Services for the Provision of Specialized Paratransit Services in Western Nevada County to increase the Paratransit Services fixed vehicle service hourly rate to \$43.33, and decrease the fixed monthly rate to \$60,856, with a maximum contract amount not to exceed \$1,527,544 in Fiscal Year 2019-20**

RECOMMENDATION: Approve the attached Resolution.

FUNDING: Funding is provided by Transportation Development Act (TDA) revenue and is included in the Fiscal Year 2019/20 Transit Services Division budget. There is no impact on the General Fund.

BACKGROUND:

On May 14, 2013, the Nevada County Board of Supervisors adopted Resolution No. 13-168 approving a five-year agreement with Paratransit Services for provision of paratransit services beginning July 1, 2013, through June 30, 2018. The Board approved contract amendments on July 22, 2014, per Resolution No. 14-362, on August 11, 2015, per Resolution No. 15-392, on July 26, 2016, per Resolution No. 16-38, on October 11, 2016, per Resolution No. 16-491, on August 15, 2017, per Resolution No. 17-438 and on July 17, 2018, per Resolution No. 18-375.

Paratransit Services has provided excellent service throughout the course of the base five (5) year contract term and the first year of a two-year extension, meeting all contractual obligations. The services rendered have exceeded performance expectations in both on-time performance and in productivity as measured in passengers per revenue hour. Paratransit Services (also known as Gold Country Lift) have also developed positive relationships with other agencies and organizations, implemented a successful Sunday transportation service through an Area 4 Agency on Aging grant, increased overall productivity, and continues to strive for increased operational efficiency.

The current agreement contains a provision for an annual increase of the Paratransit Services contract price that includes both a fixed vehicle service hourly rate, (currently \$38.60), a fixed monthly rate (currently \$61,765) and a maximum contract price. The contract sets forth an annual pricing review and escalator wherein the annual price increase will be equivalent to the increase in the CPI (California Consumer Price Index, California Department of Industrial Relations, Division of Labor Research, All Urban Consumers) for the most recent available

twelve month period prior to each scheduled increase in an amount of not less than one (1 percent), with a cap of three (3) percent annually, unless otherwise agreed to by the County and the Contractor per Exhibit B (1) Charges and Payments.

For the 2019-20 service year, Paratransit Services has submitted a price proposal which reflects the current operating climate and which accounts for increases in wages to ensure compliance with State mandated minimum wage rates. In addition, the proposed pricing reflects the reduction of vehicle lease costs for eight cutaway vehicles now owned by Paratransit Services. Per Paratransit Services proposed amendment, this has reduced the fixed rate pricing by \$12,000 per month.

The proposed pricing is as follows;

| | 2018-19 | Proposed 2019-20 | Difference |
|--------------------------------|----------------|-------------------------|-------------------|
| Hourly Rate | \$38.60 | \$43.33 | 12% |
| Monthly Rate | \$61,765 | \$60,856 | (1%) |
| Annual Hourly Max | \$710,240 | \$797,272 | 12% |
| Annual Fixed Max | \$741,180 | \$730,272 | (1%) |
| Maximum Contract amount | \$1,451,420 | \$1,527,544 | 5% |

As indicated in the table above, the proposed pricing exceeds the specified CPI calculation which, for the most recent 12-month period from April 2018 to April 2019, indicates a 3.3 percent increase.

The proposed pricing includes a starting driver wage increase of \$2.50 per hour (from \$12.50 to \$15.00) which ensures compliance with California mandatory minimum wage rates. A similar wage increase was approved at the September 21, 2016 TSC meeting and by the Board of Supervisors on October 11, 2016, per Resolution 16-491. This wage increase will also help in the attraction of employees by providing a more livable wage when compared to the actual cost of living. Also included is an increase in medical and fringe benefits based on annualized increases incurred over the life of the contract.

At this time, staff recommends the Board approve Contract Amendment No. 7 as proposed.

Item Initiated by: Robin Van Valkenburgh, Transit Services Manager

Approved by: Trisha Tillotson, Director of Public Works

TT:RVV

Submittal Date: July 30, 2019