THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: June 27, 2023

Subject: Amend the existing Transit Operations and Maintenance Contract between the City of Asheville and RATPDev USA.

Staff Resource(s): Ken Putnam, Transportation Department Director
Jessica Morriss, Assistant Transportation Department Director
Amber Wagner, Transit Planning Manager

Action Requested: Adoption of a resolution authorizing the City Manager to ratify and amend the existing Transit Operations and Maintenance Contract between the City of Asheville and RATPDev USA for a total of $10,645,929 for Fiscal Year (FY) 2023-24.

Background:

- The City of Asheville has a contract for the operations and maintenance of the Asheville Rides Transit (ART) fixed-route transit system.
- In 2017, the City of Asheville issued a request for proposals (RFP) for the operations and maintenance of ART and RATPDev USA was selected to be the contractor.
    - The initial contract was for 4 years and ended June 30, 2021.
    - The contract allowed for two 2-year optional contract extensions (for a total of another 4 years).
    - The City opted to exercise the first of the 2-year optional contract extensions, which began July 1, 2021 and will end June 30, 2023.
    - Therefore, this contract amendment will initiate the second/final 2-year optional contract extension.
    - The proposed amendment will be the fourth amendment to the contract and it will cover services provided between July 1, 2023 and June 30, 2024.
    - Amendment 1 was approved in August of 2019 and was done to reflect the increased services (and budget) that were implemented in January 2020.
    - Amendment 2 was approved in October 2021 (FY 2021-22) and included the annual increase to the base contract to reflect increases to the revenue-hour rate and monthly fixed fees.
    - Amendment 3 included an increase over the FY 2021-22 contract amount of $953,835, for a total of $10,107,322. This funding was included in the approved FY 2022-23 Transit Services operating budget and included the following:
        - $402,835 - annual increase to the base contract that reflected increases to the revenue-hour rate and monthly fixed fees.
        - $551,000 - provided to fund a wage increase of $2.00 per hour for RATPDev ART staff.
    - Amendment 4 (proposed with this action) will include an increase over the FY 2022-23 contract amount of $538,607, for a total of $10,645,929.
    - There are no proposed changes to the language of the Contract with this amendment.
- *Note:* The overall contract for transit operations and maintenance that was awarded to RATPDev in 2017 will end in June 2025. A new RFP will need to be developed and released well in advance of the contract end. Therefore, staff expects to begin the process of developing an RFP in FY 2023-24.

Vendor Outreach Efforts:

- N/A. This is a current contract. An extensive outreach process was conducted in 2017 when the transit operations and maintenance contract was put out for bid.

Council Goal(s):

- Improve and Expand Core Services

Committee(s):

- None. This is an administrative action.

Pro(s):

- Supports the continuation of current/existing transit service levels.

Con(s):

- Will result in increased transit operational costs for the current/existing service levels.

Fiscal Impact:

- Amendment 4 includes an increase of $538,607, for a total of $10,645,929, to the annual contract for transit operations and maintenance over FY 2022-23.
- The increase in budget reflects the increase in cost of continuing the current/existing transit service.
- Funding for this contract is included in the FY 2023-24 Transit Services Fund operating budget.

Suggested Motion:

- Motion to adopt a resolution authorizing the City Manager to ratify and amend the existing Transit Operations and Maintenance Contract between the City of Asheville and RATPDev USA for a total of $10,645,929 for Fiscal Year 2023-24.

Attachment(s):

- Resolution

RESOLUTION NO. 23-____

RESOLUTION AUTHORIZING THE CITY MANAGER TO RATIFY AND AMEND THE EXISTING TRANSIT OPERATIONS AND MAINTENANCE CONTRACT BETWEEN THE CITY OF ASHEVILLE AND RATPDEV USA FOR FISCAL YEAR 2023-24

WHEREAS, the City of Asheville has authority pursuant to N.C.G.S. §143-129 for letting of public contracts; and

WHEREAS, the City of Asheville budgeted $10,645,929 toward the transit operations and maintenance contract for the Asheville Rides Transit System as part of the Fiscal Year 2023-24 budget process; and

WHEREAS, the City of Asheville and RATPDev USA are in first year of the second two-year option period of the existing contract for the operations and maintenance of the Asheville Rides Transit System; and

WHEREAS, the City and RATPDev USA negotiated in good faith to make revisions to the contract, as described in Amendment 4, in order to reflect the increased cost in providing the existing level of transit service; and

WHEREAS, the changes provided in the Amendment are intended to ensure continuous operations;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

City Council hereby authorizes the City Manager to ratify and amend the existing Transit Operations and Maintenance Contract between the City of Asheville and RATPDev USA for a total of $10,645,929 for FY 2023-24.

Read, approved and adopted this the 27th day of June, 2023.

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City Clerk Mayor

Approved as to form:

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City Attorney