STAFF REPORT

City Council Meeting Date: October 12, 2021

Subject: Ratify and amend Transit Operations and Maintenance Contract to increase contract amount by $175,000 to reflect the increase in cost to continue to provide the current/existing transit service level for FY 22.

Staff Resource(s): Ken Putnam, Transportation Department Director
Jessica Morriss, Assistant Director

Action Requested: Adopt a resolution authorizing the City Manager to ratify and amend the existing Transit Operations and Maintenance Contract between the City of Asheville and Asheville Transit Management, LLC (RATPDev USA) and to increase the contract amount by $175,000, for a contract total of $9,153,487, to reflect the increase in cost to continue to provide the current/existing transit service level for FY 22.

Background:

- The City of Asheville contracts out 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 current contract is a four year contract with two optional 2-year extensions.
- The fourth year of the contract ended June 30, 2021 and the City opted to exercise the first of the 2-year optional contract extensions as of July 1, 2021 to ensure continued transit operations.
- The first 2-year option period will end June 30, 2023.
- In the adopted FY 2022 budget, the City Council allocated an additional $175,000 in transit funds to reflect the increase in annual cost for the continuation of the existing/current transit service levels.
- Amendment 2 reflects the increase in cost for the current/existing service, including the standard increase to the hourly revenue rate and monthly fixed fee.
- The Amendment also includes minor revisions to some language in the contract to further clarify roles and responsibilities.
- The City Council also allocated funding to support implementation of additional service (add frequency to the S3 and S6 routes and to extend the hours of operation later into the evening), however, due to the continued national driver shortage, the expansion of service has been postponed.
- Therefore, this contract increase does not include funding for the expanded service.
- Staff will return to Council to approve an increase to the contract when the transit service expansion becomes possible once required staffing levels have been reached.

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):

- Transportation and Accessibility

Committee(s):

- N/A - The Transit Committee and Multimodal Transportation Commission were informed of the proposed service increase and increase to the base budget during the budget process.

- Staff has notified the Transit Committee and Multimodal Transportation Commission that the planned service expansion has been postponed.

Pro(s):
- This action will support the continuation of current/existing transit service levels.

Con(s):
- None

Fiscal Impact:
- Amendment 2 includes an increase of $175,000 to the annual contract for transit operations and maintenance and reflects the increase in cost of continuing the current/existing transit service for FY 22.
- The FY 22 Transit Services Fund budget already includes the increase needed to continue the existing transit service.

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 Asheville Transit Management, LLC (RATPDev USA) and to increase the contract amount by $175,000, for a contract total of $9,153,487, to reflect the increase in cost to continue to provide the current service level for FY 22.

Attachment(s)
- Resolution

RESOLUTION NO. 21-____

RESOLUTION AUTHORIZING THE CITY MANAGER TO RATIFY AND AMEND THE EXISTING TRANSIT OPERATIONS AND MAINTENANCE CONTRACT BETWEEN THE CITY OF ASHEVILLE AND ASHEVILLE TRANSIT MANAGEMENT (RATPDEV, INC.) AND TO INCREASE THE CONTRACT AMOUNT TO REFLECT THE INCREASE IN COST TO CONTINUE TO PROVIDE THE CURRENT SERVICE LEVEL FOR FISCAL YEAR 2022.

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 an additional $1,317,286 toward implementation of the 2018 Transit Master Plan in the Fiscal Year 2022 budget; and

WHEREAS, the City of Asheville and Asheville Transit Management, LLC (RATPDev USA) are in first year of the first two-year Option Period of the existing contract for the operations and maintenance of the Asheville Rides Transit System; and

WHEREAS, the existing contract requires that new monthly fixed fees and revenue hour rates be renegotiated when service increases of more than 20% are proposed; and

WHEREAS, the City and Asheville Transit Management, LLC (RATPDev USA) negotiated in good faith to make revisions to the contract, as described in Amendment 2, in order to reflect the increase cost in providing the existing level of transit service and to provide general clarifications and updates to contract language; and

WHEREAS, the changes provided in Amendment 2 are intended to improve transit service access and convenience for riders;

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 Asheville Transit Management, LLC (RATPDev USA) and to increase the contract amount by $175,000, for a contract total of $9,153,487, to reflect the increase in cost to continue to provide the current service level for FY 22.

Read, approved and adopted this the 12th day of October, 2021.

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City Clerk Mayor

Approved as to form:

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City Attorney