



June 14, 2018

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement with First Transit, Inc., for the Provision of Contracted Fixed-Route Service

Overview

On March 23, 2015, the Orange County Transportation Authority Board of Directors approved an agreement with First Transit, Inc., for the management and operation of contracted fixed-route, Stationlink, and express bus services. In June 2016, the operation of the iShuttle service was transitioned from the City of Irvine to the Orange County Transportation Authority and was also amended into the agreement with First Transit, Inc. The iShuttle service will be expanded in October 2018, requiring an amendment to the agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 6 to Agreement No. C-4-1737 between the Orange County Transportation Authority and First Transit, Inc., in the amount of \$383,744, for an increase in service to accommodate the expansion of the iShuttle service. This will increase the maximum obligation of the agreement to a total contract value of \$148,900,252.

Discussion

On June 14, 2015, First Transit, Inc. (First Transit), began management and operation of contracted fixed-route (CFR) service. The agreement has an initial term of four years, with two, two-year option terms, and includes a fixed- and variable-rate structure. In addition, the scope of work for this agreement includes an estimated number of annual revenue vehicle hours (RVH) to be operated during each year of the contract.

In June 2016, the Orange County Transportation Authority (OCTA) assumed responsibility of the management and operation of the iShuttle service from the City of Irvine. The iShuttle service was amended into the CFR agreement with First Transit. The City of Irvine reimburses OCTA for all of the costs associated with the iShuttle operation.

The current iShuttle service operates weekdays on four separate routes, with two of the routes serving the Irvine Transportation Center and two of the routes serving the Tustin Metrolink station during peak hours. In 2016, the City of Irvine submitted a Measure M2 Project V application in response to a call for projects by OCTA to expand iShuttle services to include two additional peak-hour routes, one serving each station. The City also requested that OCTA procure the required vehicles and operate the new Project V-funded service as part of the iShuttle program. With the vehicle delivery schedule now known, this service is planned to start in October 2018. The new route, Route E, operating from the Irvine Transportation Center will provide access to employment, retail centers, and residential areas to the east of the station, while the other new route, Route W, operating from the Tustin Metrolink Station, will serve employment, retail centers, schools, and residential units in the western part of the Irvine Business Center. The expanded iShuttle service maps are included as Attachment A.

First Transit Contract Amendment

In order to provide the expanded iShuttle service, an amendment to the existing contract with First Transit is necessary. The recommended amendment will add the RVH necessary to provide the expanded iShuttle service and increase the maximum contract value by \$383,744, for a new total of \$148,900,252. The addition of RVH is the primary driver of the increased cost and is further outlined in Attachment B. The agreement with First Transit for CFR service includes a number of performance criteria, including on-time performance, miles between road calls, and customer service. OCTA staff will continue to monitor all services operated by First Transit, including those described in the amendment, to ensure compliance with established standards.

Procurement Approach

The procurement was handled in accordance with OCTA Board of Directors (Board)-approved policies and procedures for professional and technical services. The original agreement was approved by the Board on March 23, 2015, for a four-year initial term, with two, two-year option terms with First Transit to provide management and operation of CFR, Stationlink, and express bus services from June 1, 2015 through May 31, 2019, in the amount of \$143,487,171. The original agreement was awarded on a competitive basis.

The agreement with First Transit has been previously amended five times (Attachment C). The proposed Amendment No. 6 will accommodate the service expansion of additional RVH associated for the operation of expanded iShuttle services. This will increase the maximum obligation of the agreement by \$383,744, bringing the total contract value to \$148,900,252.

Fiscal Impact

Funding for this project is included in OCTA's Proposed Fiscal Year 2018-19 Budget, Transit Division, Accounts 2146-7313-TV211-N4V and 2146-T313-TV211-N3N.

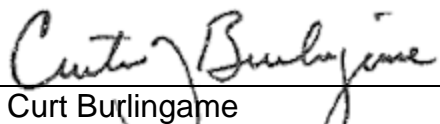
Summary

First Transit manages and operates CFR service under an agreement with OCTA. In June 2016, First Transit began operating the iShuttle service, concurrent with the transition of the service from the City of Irvine to OCTA. Staff is requesting the Board authorize the Chief Executive Officer to negotiate and execute Amendment No. 6 to Agreement No. C-4-1737 between OCTA and First Transit, in the amount of \$383,744, to accommodate an expansion of the iShuttle service, scheduled to begin October 15, 2018.

Attachments

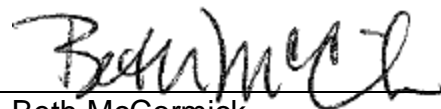
- A. Irvine iShuttle Route E and Route W
- B. Price Summary Sheet, Project V Service (iShuttle E and iShuttle W)
- C. First Transit, Inc. Agreement No. C-4-1737 Fact Sheet

Prepared by:



Curt Burlingame
Department Manager, Contract
Transportation Services
714-560-5921

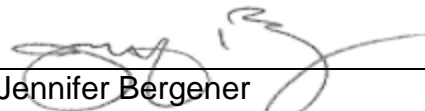
Approved by:



Beth McCormick
General Manager, Transit
714-560-5964



Virginia Abadessa
Director, Contracts Administration and
Materials Management
714-560-5623



Jennifer Bergeher
Chief Operating Officer, Operations
(714) 560-5462