

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

- MEETING DATE:** June 1, 2009
- SUBJECT:** Consideration of Proposed Transit Service Renewal Contract and Amendment
- ATTACHMENTS:**
1. Staff Memorandum
 2. Renewal Contract and Amendment

SUMMARY OF REQUEST:

Henderson County currently has a contract with Western Carolina Community Action, Inc. (WCCA) to provide transit service on the urban fixed route and the ADA required paratransit service. The agency maintains high customer service approval ratings, a low accident rate, and has satisfied all other provisions of its operating agreement with the County. The existing three year contract expires on June 30, 2009 and specifies an option to renew for up to five additional one year periods. WCCA submitted a price proposal and staff negotiated a 3% increase for FY 2010 and a 2% increase for FY 2011. Staff recommends approval of the attached renewal contract and amendment that provides the opportunity to extend the contract for longer than a one year period and sets forth billable rates through June 30, 2011.

Henderson County legal staff has reviewed the proposed renewal contract and amendment which extends the WCCA contract by two years for the period beginning July 1, 2009 through June 30, 2011. Based on anticipated service levels, the proposed rate is within the scope of the proposed FY 2010 budget.

BOARD ACTION REQUESTED:

Formal action by the Board of Commissioners is necessary to approve extension of the Contract with WCCA.

Suggested Motion: I move that the Board of Commissioners authorize the County Manager to execute the proposed renewal contract and amendment, which establishes new rates for the service and extends the contract with WCCA through June 30, 2011.

HENDERSON COUNTY
Planning Department

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MEMORANDUM

TO: Board of Commissioners
County Manager Steve Wyatt
Assistant County Manager Selena Coffey

FROM: Anthony Starr, AICP, Planning Director
Hope Bleecker, AICP, Transportation Planner

DATE: June 1, 2009

SUBJECT: Transit Service Renewal Contract and Amendment with WCCA

BACKGROUND

Henderson County currently contracts with Western Carolina Community Action, Inc. (WCCA) to provide the urban fixed route and paratransit services known as Apple Country Transit. The existing three year contract is set to expire on June 30, 2009. Staff is recommending renewal for several reasons. The proposed fixed route rate of \$44.28 per revenue hour is less than average market rates for other small systems and does not represent a significant increase above the present rate of \$44.15. Contracted service provider rates vary nationwide between \$50 and \$100 per revenue hour depending on facilities and number of hours provided. Also, WCCA received above-average customer service approval ratings in a recent rider survey. WCCA's at fault accident rate is less than one accident per year. Breakdowns and service interruptions have been minimal. Ridership has risen significantly in the last year by more than 9% on the fixed route and by over 6% on the paratransit system.

The existing contract specifies a three year period with a renewal of up to five additional one year periods. The attached renewal contract and amendment specifies a two year term with negotiated rates for FY 2010 and FY 2011.

ANALYSIS

Staff is recommending renewal for two additional years. WCCA submitted estimated expenses for the FY 2010 year and staff negotiated \$471,832 which is an increase of approximately 3% over last year's budgeted amount of \$458,000. The increase is related to projected fuel costs and anticipated maintenance expenses for the aging bus fleet. Rates for the FY 2011 year increase to only a maximum of 2% over FY 2010, resulting in a total increase of 5% over the two year term.

The contract was originally approved in 2006 and now has an operating history. Staff proposes a more accurate estimate of 1,800 paratransit hours rather than the original estimate of 4,572. Adjustment of this number and the corresponding increased billable rate will not result in a decrease in the level of paratransit service. It will establish a not to exceed maximum rate. A possible secondary effect of this rate structure is an increase in schedule improvement and service productivity.

	FY2007 Contract Inception	FY2008 Addition of Blue Route	FY2009 Current	FY2010 Recommended	FY2011 Recommended
Maximum Fixed Route Transit Revenue Hours (Not to Exceed)	7,620	9,144	9,144	9,144	9180
Fixed Route Billable Rate per Revenue Hour	\$40.28	\$42.05	\$44.15	\$44.28	\$45.30
Paratransit Revenue Hours (Not to Exceed)	3,810	4572	4572	1800	1800
Paratransit Billable Rate per Revenue Hour	\$22.71	\$23.84	\$25.03	\$36	\$36.3

Henderson County legal staff has prepared an amendment which extends the WCCA contract by two years for the period July 1, 2009 through June 30, 2011.

ALTERNATIVES

- A) Renew the contract with WCCA according to the billable rates shown. This is the recommended alternative.
- B) Delay the proposed action and seek proposals from other providers to supply the service. There are no other available providers who can supply the service at these rates and according to these terms. Staff will likely retain the option to re-bid the service within the next year to confirm this situation. However, based on a current survey of the area, WCCA is the best provider at this time to perform the service according to the County's budget and service requirements. Operating without a contract is in violation of State and Federal regulations that apply to funding of public transit service.

RECOMMENDATION

Staff is requesting that the Board of Commissioners authorize the County Manager to execute the proposed renewal contract and amendment which extends WCCA's transit service contract through June 30, 2011 and establishes billable rates for the fixed route and paratransit services.

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**HENDERSON COUNTY TRANSIT RENEWAL CONTRACT
AND AMENDMENT**

This Agreement made and entered this the ___ of _____, 2009, by and between **Henderson County**, a body politic and corporate under the laws of the State of North Carolina (hereinafter the "COUNTY") and **Western Carolina Community Action** (hereinafter the "SERVICE PROVIDER"), a nonprofit organization is a renewal of the original agreement signed on August 1, 2006 by the parties and the Memorandum of Understanding dated April 19, 2007.

Witnesseth

WHEREAS the County and the Service Provider have had an agreement for transit services since August 1, 2006;

WHEREAS the County is desirous to contract with the Service Provider for the continuance of these services; and

WHEREAS the previous agreement allows the County and the Service Provider to renew the Agreement;

NOW THEREFORE, for valuable consideration and mutual promises, the adequacy and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **DURATION:** This renewal agreement shall last for two years from July 1, 2009 to June 30, 2011. This is an amendment from the original contract that allowed five one-year renewals. After this renewal the original contract may be renewed for a total of three additional years.
2. **HOURS AND RATE:** The following table shall reflect the cost rate and approximate number of revenue hours for this renewal agreement:

	FY2010	FY2011
Transit Revenue Hours (Not to Exceed)	9,144	9,180
Cost per Revenue Hour	\$44.28	\$45.30
Paratransit Revenue Hours (Not to Exceed)	1,800	1,800
Paratransit Cost per Revenue Hour	\$36	\$36.3

3. ORIGINAL TERMS: All terms established in the Original Agreement except as modified above, shall remain in effect for the duration of this Agreement.

IN WITNESS WHEREOF, each party has caused this Amendment to be duly executed on the day and year first above written and if corporate, by their duly authorized representative.

On this the ___ day of _____, 200__.

Attest:

HENDERSON COUNTY

Theresa L. Wilson, Clerk to the Board
(official seal)

By: _____
Steven Wyatt, County Manager
Henderson County

SERVICE PROVIDER

By: _____
David White,
Executive Director, WCCA, Inc

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, Theresa L. Wilson, Notary Public of the County and State aforesaid certify that Steven Wyatt personally came before me this day and acknowledged that he is the County Manager of the Henderson County, a corporation and body politic, and that by authority duly given the foregoing instrument was signed in its name by the County Manager and attested by me as its Clerk.

WITNESS my hand and notarial seal this _____ day of _____, 200__.

Notary Public: _____
Print or type name: _____
My Commission Expires: _____

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, Notary Public of the County and State aforesaid certify that _____, personally came before me this day and acknowledged that he is the _____ of Western Carolina Community Action (WCCA), a lawful corporation under the regulations of North Carolina, and that by authority duly given and as the act of the corporation the foregoing instrument was signed in its name by himself as its _____.

WITNESS my hand and notarial seal this _____ day of _____, 200__.

Notary Public:

Print or type name:

My Commission Expires:

PRE-AUDIT CERTIFICATION

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act N.C.G.S. 159-28(a)

By: _____

Date: _____

Carey McLelland_
Henderson County Finance Director