



# CITY OF HAYWARD AGENDA

AGENDA DATE June 23, 1998

AGENDA ITEM 2

WORK SESSION ITEM \_\_\_\_\_

**TO:** Mayor and City Council

**FROM:** Director of Community and Economic Development

**SUBJECT:** CITY OF HAYWARD PARATRANSIT PROGRAM CONTRACT

## **Recommendation**

It is recommended that the City Council authorize the City Manager to enter into an Agreement with Friendly Transportation, Inc. to provide paratransit services for older adults and persons with disabilities.

## **Background/Discussion**

The City of Hayward Paratransit Program is designed to supplement and complement the East Bay Paratransit Consortium's Paratransit Service (ADA Paratransit Service). Currently, there are approximately 1,500 people utilizing the Hayward Paratransit Program.

The City's current Paratransit Program contract with St. Mini Cab Corporation expires June 30, 1998. It has been the City's practice to not renew the Paratransit Program Contract for more than three consecutive years. Consequently, on May 19, 1998 the City issued a Request for Proposals (RFP) for the operation of the Paratransit Program in FY 1998-99.

RFP's were mailed to seventeen (17) transportation companies. This list of potential applicants was developed by calling all the local companies known to provide paratransit-type services; those expressing interest received an RFP. A Bidders Conference was held on May 22, 1998. Six potential applicants attended the Conference. There were two additional companies that expressed interest in applying for the contract, but could not attend the conference. A record was kept of the questions and answers that were discussed during the conference. This information was then sent to all of the applicants on the RFP mailing list.

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*The Proposal Review Process*

A total of four (4) proposals were submitted to the City by the 4:30 p.m., June 5, 1998 deadline by the following applicants:

- 1) St. Mini Cab Corporation
- 2) Empex Ventures (dba Industrial Passenger Service)
- 3) Friendly Cab Company, Inc.<sup>1</sup>
- 4) Friendly Transportation, Inc.<sup>2</sup>

A fifth proposal was also turned in, but submitted after the 4:30 p.m. deadline (at 4:50 p.m.) by the Hayward Airport Cab Company. This application was also unresponsive to the City's Request for Proposal application packet. For both of these reasons the application was considered ineligible.

The Community and Economic Development staff and the Paratransit Committee of the Human Services Commission reviewed the proposals. The Paratransit Committee provided input to the City staff at its meeting on June 9, 1998. Applicants were interviewed either by telephone or at the Paratransit Committee meeting.

*Rationale for Recommendation*

CED Staff is recommending that Friendly Transportation Inc. be awarded the FY 1998-99 Paratransit Program contract because their proposal was the most responsive to the City's RFP and subsequent interview questions. Their fee was the lowest among all the bidders. Based on staff's review of the information provided and reference checks, they appear to be highly qualified to provide the required services while offering the most cost effective proposal among all the applicants. A comparison of the fee proposals submitted is provided as Attachment A.

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<sup>1</sup> Friendly Cab Inc. and Friendly Transportation Inc. are related, but separate, business entities. Each submitted separate applications which proposed different rate structures and organizational management plans.

<sup>2</sup> Friendly Transportation Inc., is the recommended applicant for the Paratransit Program contract.

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Based on a review of the submitted financial statements and discussions with credit references, Friendly Transportation Inc. appears to be an organization that is in good financial standing. Reference checks with other clients, including Intelitrans (the East Bay Paratransit Broker for the ADA paratransit service system, the East Bay (Developmental Disabilities) Regional Center, Fairmont Hospital in San Leandro, skilled nursing facilities and individuals with disabilities whose medical-oriented transportation costs are covered by MediCal, have all resulted in positive reports about the services provided by this applicant. In addition, most of the vehicles described in the proposal are relatively new with low mileage and are in good condition. This applicant has also indicated that it is prepared to purchase new vehicles based on the City's request, and paint the vehicles if desired to the City's specifications, at no additional cost to the City. Lastly, Friendly Transportation Inc. already carries insurance which exceeds the City's requirements for Commercial General Liability and Auto Insurance, and they meet the state Worker's Compensation and Employer Liability insurance requirements.

#### *Cost of Service*

Friendly Transportation, Inc. offered the most competitive fee proposal among the qualified applicants; their fees represent no increase over the current fees charged to the City. The City will have approximately 22% more funds available for the Paratransit Program in FY 1998-99. Consequently, it is also anticipated that the current passenger fee of \$2.00 per one way trip will remain unchanged.

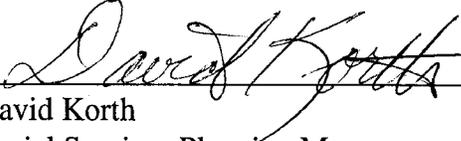
#### *Summary*

It is recommended that the Paratransit Program contract for FY 1998-99 be awarded to Friendly Transportation Inc. because theirs was the most well-designed and cost effective proposal submitted by a qualified applicant. It is also recommended that the new contract include a provision which gives the City the option to renew for up to two additional years beyond the initial contract period without seeking other bids, on the condition that the contractor's performance remains satisfactory to the City, that the provisions of the contract remain mutually acceptable, and funds continue to be available.

Currently, the Hayward Paratransit Program is funded solely by Alameda County Measure B Paratransit funds. Unless reauthorized by Alameda County voters, Measure B will expire in the year 2002 and these funds will no longer be available to support this program. At that time a determination will need to be made as to the City's role with regard to paratransit services.

Mayor and City Council  
June 23, 1998

**Prepared by:**

  
\_\_\_\_\_  
David Korth  
Social Services Planning Manager

**Recommended by:**

  
\_\_\_\_\_  
Ann Bauman  
Acting Director of Community and  
Economic Development

**Approved by:**

  
\_\_\_\_\_  
Jesús Armas  
City Manager

Attachments: A - Comparison of Fee Proposals  
Resolution

June 17, 1998

## Comparison of Fee Proposals

(Based on a 10 mile trip)

TYPE OF SERVICE PROVIDED	APPLICANTS		
	St. Mini Cab Corp.	Empex Ventures (IPS)	Friendly Transportation, Inc.
<b>Individual Trip Requests</b>			
A. Wheelchair Passenger	\$30 (bet. 7 am & 7 pm) \$40 (bet. 7 pm & 7 am) \$50 (anytime for same day trip request)	\$22.95	\$20
B. Ambulatory Passenger	\$20.50 (bet. 7 am & 7 pm) \$30.00 (bet. 7 pm & 7 am)	\$22.95	\$15
<b>Group Trip Requests</b>			
A. Wheelchair Passengers	\$42	\$37.50	\$20
B. Ambulatory Passengers	\$42	\$37.50	\$15

Notes: All fee proposals are based on providing door-to-door service, including stand-by assistance, to passengers on an as needed basis.

Friendly Cab Company, Inc. and Friendly Transportation, Inc., provided the same fee proposals. Friendly Transportation is being recommended as the lead contractor because it is able to implement higher standards and exercise greater control over its drivers who are employees; Friendly Cab Company's taxi drivers are independent contractors.

**DRAFT** JB 6/12/98

HAYWARD CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER  
TO ENTER INTO AN AGREEMENT WITH FRIENDLY  
TRANSPORTATION, INC. TO PROVIDE  
PARATRANSIT SERVICES IN FISCAL YEAR 1998-99.

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is authorized and directed, on behalf of the City of Hayward, to enter into an agreement with Friendly Transportation, Inc. for fiscal year 1998-99, in substantially the form of the agreement on file in the office of the City Clerk, with such amendments, including fee increases, changes, or revisions as the City Manager may consider appropriate upon consultation with the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 1998

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward