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DATE: May 27, 2008
TO: Mayor and City Council
FROM: Director of Community and Economic Development
SUBJECT: FY09 Annual Hayward Paratransit Program Plan

RECOMMENDATION

That Council adopts the attached resolution pertaining to the City's Paratransit Program and authorizing the City Manager to execute new contracts with Alzheimer's Services of the East Bay, Inc., and Service Opportunities for Seniors, Inc., and renewing and amending the existing contract with M.V. Transportation, Inc.

SUMMARY

The Hayward Paratransit Program offers a variety of subsidized door-to-door transportation (paratransit) services to meet different transportation needs of older adults and persons with disabilities 18 years old and older, unable to drive or take other forms of public transportation due to a medical or disabling condition, and who reside in Hayward or one of the unincorporated areas adjacent to Hayward. The City's paratransit program provides services that complement and supplement the East Bay Paratransit Consortium's American with Disabilities Act (ADA) Paratransit Service.

The Alameda County Transportation Improvement Authority (ACTIA) administers the allocation of Measure B sales tax revenues used to support the operations of the Hayward Paratransit Program. Utilizing a county-wide funding formula, ACTIA has determined that Hayward will receive an estimated \$700,400 in FY09 (down from \$723,411 estimated originally for FY08), due to the decline in sales tax revenues.

The City has also submitted an application for an additional 2-year Measure B "Gap" service grant. These grants are made available by ACTIA for the development of paratransit services designed to address transportation needs (or service gaps) not being addressed through any other paratransit service. The City of Hayward's Gap grant application, for the provision of a free shuttle program within Hayward City Limits, has preliminarily been approved in the amount of \$220,000 per year for the next two years by ACTIA staff and the Alameda County Paratransit Advisory and Planning Committee (PAPCO) – a consumer-based advisory board to ACTIA. The ACTIA Board is expected to formally approve the allocation of this grant to Hayward in June 2008.

BACKGROUND

All jurisdictions that receive Measure B paratransit funds are required to enter into a five-year agreement with ACTIA which stipulates the conditions under which these funds must be expended; FY09 represents the second year of the current five-year agreement. Included in this agreement is a requirement that the City submit an Annual Paratransit Plan (Paratransit Plan). The City's FY09 Paratransit Plan describes a variety of paratransit services that are provided through both the City's "Base" Paratransit Program as well as the Measure B "Gap" grant funded service. An Executive Summary of the Plan is provided as Attachment A to this report. A complete copy of the Plan is available upon request from the City of Hayward Community and Economic Development Department.

DISCUSSION

MV Transportation, Inc., provides the majority of the City's paratransit services to qualified individuals and groups. MV Transportation will also deliver the *Gap* funded "Hayward Round-A-Bout" shuttle service planned to go into effect in FY09. The contract with MV Transportation, initially entered into in FY 2006-07, provides the City with the option to renew the contract for up to two consecutive years, through June 30, 2009.

Based on the contractor's overall good performance during the past two years, staff recommends that the City exercise its option to renew the contract for an additional year. The contractor's cost of doing business has increased due to the rise in gasoline, insurance, and labor costs. Consequently, the cost to the City will increase (the fiscal impact of this change is described below). The rate change and the addition of the new *Gap* funded shuttle service are the only changes that will be made if Council approves the continuation of the MV Contract; all other terms and conditions will remain unchanged in FY09. Consistent with past practice, the City will not automatically extend this service contract beyond its third year. A bidding process will be conducted during FY09 for the subsequent year's contract (effective July 1, 2010).

The City's two *specialized* paratransit contracts (both more fully described in Attachment A), one with the Alzheimer's Services of the East Bay and the other with Service Opportunities for Seniors, Inc., were both executed in FY 2005-06 with an option for the City to renew for up to two additional consecutive years - through FY08. Both contractors provide excellent services, and have expressed an interest continuing the delivery of the respective specialized paratransit services that cannot be provided by MV Transportation, or any other available paratransit service. They both are considered to be sole-source providers because they are the only contractors in the area that provide these particular services. Consequently, staff recommends that the City enter into new service contracts with both providers. Both have agreed to do so with no change in the terms or conditions of the respective agreements. If approved by Council, both agreements will include an option for the City to renew for up to two additional consecutive years through to the end of FY11. Consistent with past practice, the renewed contracts would be contingent upon available funding, the City's satisfaction with each contractor's performance and the annual review and approval of City Council.

FISCAL IMPACT

The Hayward Paratransit Program is 100% supported by Alameda County Measure B sales tax revenues. Due to the downturn in the economy, sales tax revenues are expected to be reduced. Consequently, Hayward's Measure B Base Paratransit Program funding allocation is expected to decrease from \$723,411 in FY08 to \$700,400 in FY09. At the same time, operation costs (i.e., fuel, insurance and labor costs) are increasing.

The primary paratransit service contractor, MV Transportation, Inc., has indicated that it will need to increase the service rate charged to the City, from the current rate of \$41.24 per vehicle service hour to \$43.65 per vehicle service hour in FY09, in order to cover its increased operation expenses. (This is still well below the \$57.91 per vehicle hour quoted by the nearest competitor that participated in the last contract bidding process.) This, combined with the reduction in revenues received from ACTIA, would typically mean that the City would have to reduce the number of vehicle service hours purchased. However, with the additional allocation of the ACTIA Gap grant, the sum total of Measure B funds available to provide services will be increased. Consequently, Hayward Paratransit Program participants will actually experience an increase in services in FY09.

While the operational expenses of both of the City's *Special* Paratransit Service contractors (i.e., Alzheimer's Services of the East Bay (ASEB) and Senior Opportunities for Seniors (SOS), Inc.) are expected to increase, they are both able to offset these increases using other resources. Consequently, if the Council authorizes the continuation of these two contracts, they will both continue under the same terms and conditions that are currently in effect.

PUBLIC CONTACT

The following actions were taken to ensure that members of the public had an opportunity to participate in the decision making process regarding the Paratransit Program Plan for FY 2008-2009:

- In December 2007, a Paratransit Program Participant Survey was mailed to all riders, Social Services Agencies and Skilled Nursing Facilities registered with the Hayward Paratransit Program. The survey requested comments and suggestions to improve the Hayward Paratransit Program. The information gained through this survey was used in developing the FY09 Hayward Paratransit Program Plan.
- At its public meeting on April 2, 2008, the Hayward Human Services Commission reviewed a draft of the FY09 Hayward Paratransit Plan; again information gathered was used in developing the Plan.
- On May 12, 2008, the City's Draft FY09 Paratransit Plan was reviewed by ACTIA staff and the Alameda County Paratransit Advisory and Planning Committee (PAPCO), a Paratransit consumer advisory body to ACTIA. The Plan received a recommendation for full funding. The ACTIA Board of Directors is expected to approve Hayward's

allocation of Measure B funding at its meeting in the latter part of June 2008, pending the Hayward City Council's approval.

- In accordance with the California Brown Act, a public notice was posted prior to the May 27, 2008 Hayward City Council meeting at which the FY09 Hayward Paratransit Plan is scheduled for review and approval by the Hayward City Council. Copies of the Plan, and this agenda report, are available to the public upon request from the City's Community and Economic Development Department.

NEXT STEPS

Pursuant to City Council's approval of FY09 Paratransit Program Plan, staff will meet with representatives from each contracting agency to facilitate contract execution so that the delivery of the funded Paratransit services can commence.

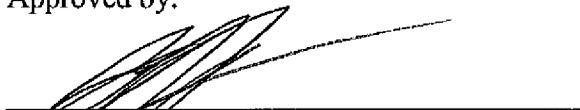
Prepared by:


David Korth, Neighborhood and Economic
Development Manager

Recommended by:


Susan Daluddung, Director of Community and
Economic Development

Approved by:


Gregory P. Jones, City Manager

Attachment A: FY08 Hayward Paratransit Program Plan -- Executive Summary

Resolution

A copy of the FY09 Hayward Paratransit Program Plan is available upon request from the Community and Economic Development Department, Hayward City Hall, 777 B Street, Hayward California.

Attachment A

FY09 Hayward Paratransit Program Plan

Executive Summary

Summary of Components of the Hayward Paratransit Program Plan

The City's "Base" Paratransit Program consists of three paratransit service components, each of which are carried out through different service provider contracts. These include:

Base Program Service Component A: *Individual and Group Paratransit Services:*

The primary service component of the Hayward Paratransit Program is currently provided under contract with MV Transportation, Inc. (MV Transportation). MV Transportation provides both individual and group paratransit services.

Subsidized accessible transportation for *individual passengers* includes those who require an attendant to travel; attendants are allowed to ride along at no additional cost to the passenger. Lift-equipped vans are usually utilized to provide this service; however, sedans can also be made available on a case by case basis. Most enrolled program participants are issued ten vouchers per month (at no charge); more vouchers may be issued in certain circumstances, such as when a program participant must rely on the City's program for regular and frequent medical appointments (i.e., to dialysis, physical therapy, etc.). Urgent trips that are pre-authorized by the City may also be provided from time-to-time to individuals who qualify for the City's paratransit program, but who are not yet enrolled and who do not have City vouchers.

This service is provided from 5:00 am to 10:00 pm seven days per week. Pre-scheduled trip reservations are required, from one week to twenty-four hours in advance.

Individual passengers are charged one voucher plus \$2.00 for each one-way trip up to ten miles in length. An additional voucher and an additional \$2.00 are charged for each additional 10-mile increment up to 30 miles. An additional \$2.00 per mile is charged for each mile over 30 miles for each one-way trip. Passengers are also charged for all bridge toll and parking fees incurred during a trip. Passenger fares are the same for ambulatory and non-ambulatory passengers, regardless of the time of day that the trip is provided.

Group trips are also offered through the contract with MV Transportation. Lift - equipped vans are used for this service. Over 30 different Skilled Nursing Facilities (SNF) and senior housing complexes located in the program service area benefit from this service.

The charge for group trips is \$1.00 per passenger for each one-way trip. Group trips usually take place between 10:30 am and 1:30 pm, Monday through Friday; however, during the holiday season evening hours are also included so that passengers can view seasonally decorated homes. Other special events are accommodated outside of these hours, whenever possible.

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The City's Base Paratransit program also provides two additional *specialized* paratransit services to cover local needs of paratransit program participants not addressed under the contract with MV Transportation. These are provided through two separate transportation service contracts:

Base Program Service Component B: *Alzheimer's Services of the East Bay (ASEB)*

The City contracts with Alzheimer's Services of the East Bay (ASEB) to provide transportation services to and from its Hayward adult day care program; a non-residential program that serves adults with dementia. It is necessary for ASEB to operate its own transportation service because ASEB paratransit drivers act as part of the team of professionals employed by ASEB. They participate in care-plan meetings for the agency's program participants, and are an important liaison between the participant's home and the program environment. Drivers receive special training to work with this population, and are able to provide a consistent routine that is very important for the stabilization of those who are served. This consistency is impossible to provide through other traditional paratransit services. They also work with other ASEB professionals to address behavioral and/or familial issues that they become aware of during the course of providing transportation services. Program participants do not pay for this service.

Base Program Service Component C: *Meals on Wheels*

The City also contracts with Service Opportunities for Seniors, Inc. (SOS) to provide a "Meals on Wheels" service. Under this contract, the City subsidizes 90% of the contractor's transportation costs of delivering hot, nutritious meals to older adults who are unable to leave their homes due to a medical or disabling condition. Those served must meet all the other Hayward Paratransit Program eligibility requirements. It is anticipated that an average of 132 individuals per month will be served up to five days per week through this program. Program participants do not pay for this service.

FY 09 and FY 10 Measure B Gap Grant:

The Hayward "Round-A-Bout" Shuttle Service

Through a separate competitive funding process conducted by ACTIA, Hayward submitted an application for an additional 2-year Measure B Paratransit "Gap" grant. ACTIA makes these grants available for the development of paratransit services that are designed to address transportation needs (or service gaps) not being addressed through any other paratransit service.

The Gap Grant application submitted by the City is to operate a circulator-route (or mini-fixed route) shuttle service called the "Hayward Round-A-Bout". This accessible shuttle service will transport Hayward Paratransit Program participants to and from key stops within Hayward's City limits. The shuttle will operate Monday through Friday, from 8:30am to 4:30pm. This new service will be offered free to passengers who will be able to get on and off the shuttle as many times as they like during service hours. Based on data collected from surveying Hayward Program Participants, shuttle stop locations have tentatively been identified located near senior housing and organizations serving adults with disabilities. Other stops will be located near new popular destination points in and around Hayward (including: the new movie theatre on B Street

in Downtown Hayward, the Main Library, and other frequented shopping, dining and personal service destinations - such as banks, pharmacies, etc.). It is anticipated that as this Gap Paratransit Service becomes well-known riders will use it instead of the traditional Base Paratransit service, thus increasing the capacity on that service for program participants traveling beyond the shuttle service route. In FY 09, MV Transportation Inc. will utilize lift-equipped vans to provide this service. The charge to the City will be the same as for other services provided under the MV Paratransit Service contract. After this 2-year grant expires (on June 30, 2010) either additional funding will need to be obtained or the service will need to be absorbed into the Base Paratransit Program budget if it is to continue.

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 08-

Introduced by Council Member _____

me
5/12/08

**RESOLUTION AUTHORIZING THE CITY MANAGER
TO SUBMIT AN ANNUAL PARATRANSIT PLAN AND
NEGOTIATE AND EXECUTE ALL DOCUMENTS
RELATED TO AND IN SUPPORT OF PARATRANSIT
ACTIVITIES**

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 submit to the Alameda County Transportation Improvement Authority an Annual Paratransit Plan, in accordance with the terms of the City's five-year contract with ACTIA for Measure B paratransit funds.

BE IT FURTHER RESOLVED that the City Manager shall have the authority to negotiate and execute new one-year contracts with Alzheimer's Services of the East Bay and Service Opportunities for Seniors, Inc., with the option to renew for up to two additional years, and a one-year extension and amendment to the service rate for the City's existing contract with MV Transportation, Inc., in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2008

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward