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May 2, 2016

**The Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton Goodlett Place, Room 244
San Francisco, CA 94102**

Subject: Request for Approval – SF Paratransit Broker and Operating Agreement

Honorable Members of the Board of Supervisors:

The San Francisco Municipal Transportation Agency (SFMTA) requests that the San Francisco Board of Supervisors approve Contract No. SFMTA-2016-17, Paratransit Broker and Operating Agreement, with Transdev Services, Inc., to provide paratransit brokerage and transportation services, in an amount not to exceed \$142,902,104, and for a term beginning July 1, 2016, and ending June 30, 2021, with an option for a five-year extension.

Background

The SFMTA provides approximately 800,000 Paratransit trips per year to persons with disabilities in San Francisco. The SFMTA contracts with a paratransit broker (currently, Transdev Services Inc.) to provide these services. Under its contract with the SFMTA, the paratransit broker operates the SF Access program, which provides door-to-door, shared-ride van services for people who are unable to use Muni's accessible buses, trains, and streetcars some or all of the time due to their disability.

For the past 35 years, SFMTA has contracted out paratransit services to a paratransit broker, who performs many important functions, such as managing subcontracts with paratransit service providers, monitoring service quality, administering client eligibility, managing the sale of fare instruments, and acting on behalf of the SFMTA as the principal customer service representative for paratransit services. The current Paratransit Broker Agreement with Transdev began on April 1, 2010, for a five-year, three-month period, and was extended on June 12, 2015, for one additional year, through June 30, 2016.

Under the current SF Paratransit model, which has been in place since September 2014, the contractor that provides brokerage administrative functions, including eligibility and customer service, also acts as a transportation service provider for SF Access service, a portion of Group Van services, and the two shuttle services, Shop-a-Round and Van Gogh.

RFP Process

In anticipation of the expiration of the contract term, the SFMTA advertised a Request for Proposals (RFP) on November 5, 2015. The RFP was posted on the Office on Contract Administration website, and advertised in the SF Examiner. In addition, an email was sent to local and national transportation and brokerage firms to publicize the RFP.

In an effort to solicit innovative proposals, the RFP delineated two options that proposers could respond to – Option A, a model of decentralized paratransit broker services where the contractor would provide only administrative services and sub-contract all the transportation services, or Option B, which allowed proposers to provide both brokerage services as well as some transportation services. Proposers could submit proposals for one or both options.

The SFMTA held a Pre-Bid Conference on November 17, 2015, which was attended by three companies. On December 4, 2015, the SFMTA received an Option A proposal and an Option B proposal from a single proposer, Transdev Services, Inc., the incumbent paratransit contractor.

The Evaluation Panel was comprised of four members of the Paratransit Coordinating Council, (an advisory committee comprised of paratransit consumers and representatives from social service agencies); one representative from the Department of Aging and Adult Services; one SFMTA transit accessibility professional; and one transit accessibility professional from a regional transit agency. These individuals were chosen for their expertise, including experience with paratransit brokerage programs, knowledge of the transportation needs of seniors and persons with disabilities, expertise in paratransit operations, and familiarity with the SF Paratransit Program. The Evaluation Panel included current SF Paratransit customers.

The Evaluation Panel reviewed each proposal individually and then met to discuss the strengths and weaknesses of, and then score each proposal.

The Panel held an oral interview with Transdev on January 27, 2016, to aid in evaluating each of its proposals (Option A and Option B). After the interview, the Evaluation Panel discussed each proposal's strengths and weaknesses and scored each proposal. SFMTA Contracts and Procurement staff generated a final overall evaluation score.

Transdev's Option B proposal had the highest overall evaluation score and had a significant number of strengths including:

- Broad experience in paratransit operations and with paratransit brokerages
- Understanding of San Francisco multi-modal systems and knowledge of local customer base
- Experienced, professional and respected staff
- Strong corporate support to provide additional support for local team with clear delineation of management of the separate components (brokerage and transportation)
- Robust experience in transportation management and maintenance
- Greater accountability of transportation operations and management to Brokerage

Transdev, which has operated the SF Paratransit Program in San Francisco for the past 16 years, has consistently maintained a high level of customer satisfaction throughout its contract term. The 2015 Paratransit Customer Satisfaction Survey indicated an 86 percent satisfaction level with the services administered by the SF Paratransit Broker, and 91 percent of those surveyed rated the quality of their

recent paratransit trip as excellent or good.

Description of Work

Staff negotiated an agreement with Transdev consisting of a comprehensive scope of work, paratransit operating standards, a lease of City-owned vehicles, and an incentive/disincentive plan. The Agreement includes all tasks associated with brokerage services, such as:

- eligibility determinations,
- customer service,
- overseeing the taxi debit card system,
- providing the scheduling software and the Trip Info line (providing automated day-before and pre-arrival calls to customers upon request),
- subcontracting and monitoring of some van and taxi services, and
- reporting and record keeping.

Transdev, through its Transit Division, will be providing transportation services directly, through its own employees, including SF Access service, a 25 percent portion of Group Van services, and the two shuttle services for seniors and persons with disabilities (Shop-a-Round and Van Gogh).

The Agreement also includes new tasks, such as the development and implementation of several mobility management programs and activities to make it easier for San Francisco's disabled and senior residents to navigate the transportation services available to them. These new tasks will be funded through an FTA grant. In addition, there are new technology-related projects, such as the integration of the SF Paratransit debit card with the Flywheel mobile application, and, subject to the receipt of grant funding, the purchase of software to enable paratransit customers to schedule and track their own trips online.

Under the Agreement, the SFMTA will continue its program of leasing federally funded vans to the Contractor, who will operate them through its Transit Division, and may sublease a few of them to other service providers. The SFMTA receives lease payments for the vans, which serve to reduce operating expenditures.

Alternatives Considered

Accessible Services staff, performed an analysis to compare the costs of contracting verses providing services in house, Staff estimates that it would be 37 percent more expensive to provide Paratransit services in-house as opposed to contracting out.

Funding Impact

Operating funds required for the paratransit contract, including \$25.8 million in FY 2017, \$27 million in FY 2018, \$28.7 million in FY 2019, \$30.1 million in FY 2020, and \$31.4 million in FY 2021, will be budgeted in the Accessible Services budget. SFMTA also receives funding for paratransit services from the Federal Transit Administration and the San Francisco County Transportation Agency.

SFMTA Board Action

On May 3, 2016, the SFMTA Board of Directors approved Contract No. SFMTA-2016-17, Paratransit Broker and Operating Agreement, with Transdev Services, Inc., to provide paratransit brokerage and transportation services, in an amount not to exceed \$142,902,104, and for a term beginning July 1, 2016, and ending June 30, 2021, with an option for a five-year extension.

Recommendation

The SFMTA urges the Board of Supervisors to approve Contract No. SFMTA-2016-17, Paratransit Broker and Operating Agreement, with Transdev Services, Inc., to provide paratransit brokerage and transportation services, in an amount not to exceed \$142,902,104, and for a term beginning July 1, 2016, and ending June 30, 2021, with an option for a five-year extension.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Reiskin', written over a horizontal line.

Edward D. Reiskin
Director of Transportation