



**BOARD BUDGET AND FINANCE COMMITTEE MEETING  
WEDNESDAY, MARCH 2, 2011, 2:00 P.M.  
RIVERSIDE TRANSIT AGENCY BOARD ROOM  
1825 THIRD STREET  
RIVERSIDE, CA 92507**

- |  |                         |
|--|-------------------------|
| <b>1. CALL TO ORDER</b>  |                         |
| <b>2. SELF-INTRODUCTIONS</b>   |                         |
| <b>3. PUBLIC COMMENTS– NON-AGENDA ITEMS</b><br>Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to matters not listed on the agenda. Members of the public may comment on any matter listed on the agenda at the time that the Board considers that matter. Each person’s presentation is limited to a maximum of three (3) minutes | <b>RECEIVE COMMENTS</b> |
| <b>4. <u>APPROVAL OF MINUTES – FEBRUARY 2, 2011 COMMITTEE MEETING (P. 2)</u></b>   | <b>APPROVE</b>          |
| <b>5. <u>CASH FLOW PROJECTIONS (P. 4)</u></b>  | <b>RECEIVE AND FILE</b> |
| <b>6. <u>QUARTERLY CAPITAL GRANTS STATUS (P. 6)</u></b>  | <b>RECEIVE AND FILE</b> |
| <b>7. <u>AUTHORIZATION TO ISSUE A SOLE SOURCE PURCHASE ORDER TO TRAPEZE SOFTWARE GROUP, INC. (TRAPEZE), CEDAR RAPIDS, IA, FOR ANNUAL SOFTWARE AND MAINTENANCE SUPPORT FOR INTELLIGENT TRANSPORTATION SYSTEMS (ITS) SOFTWARE (P. 16)</u></b>  | <b>APPROVE</b>          |
| <b>8. <u>AUTHORIZATION TO ENTER INTO AGREEMENT NO. 11-001 WITH THE CITY OF RIVERSIDE FOR THE RENEWAL OF THE CITY EMPLOYEE PASS REVENUE PROGRAM (CITY PASS) (P. 18)</u></b>   | <b>APPROVE</b>          |
| <b>9. <u>AUTHORIZATION TO AWARD AGREEMENT #10-049 TO EMPIRE TRANSPORTATION FOR FIXED ROUTE AND REGIONAL COMMUTER SERVICES (COMMUTERLINK) (P. 19)</u></b>   | <b>APPROVE</b>          |
| <b>10. BOARD MEMBER COMMENTS AND REMARKS</b>   |                         |
| <b>11. OTHER BUSINESS</b>  |                         |
| <b>12. ADJOURN</b>   |                         |

*Any person with a disability who requires a modification or accommodation in order to participate in this meeting or any person with limited English proficiency (LEP) who requires language assistance to communicate with the RTA Board during the meeting should contact the RTA Clerk of the Board, telephone number (951) 565-5044, no fewer than two business days prior to this meeting to enable RTA to make reasonable arrangements to assure accessibility or language assistance for this meeting.*

*Agenda related writings or documents provided to the Board of Directors are available for public inspection in the office of the Clerk of the Board and at the reception desk while the meeting is in session.*

RTA BOARD BUDGET AND FINANCE COMMITTEE MEETING  
February 2, 2011

1. CALL TO ORDER:

Director Barry Talbot called the Board Budget and Finance Committee meeting to order at 2:00 p.m., on February 2, 2011, in the RTA Board Room.

2. SELF-INTRODUCTIONS:

Self-introductions of those in attendance took place.

Board Committee Members Present:

1. Acting Committee Chairman Barry Talbot, City of Canyon Lake Mayor
2. Director Wallace Edgerton, City of Menifee Mayor
3. Director Joanne Evans, City of Perris Councilmember
4. Director Andy Melendrez, City of Riverside Councilmember
5. Director Jeff Comerchero, City of Temecula Councilmember
6. Alternate Andrea Puga, County of Riverside, District II
7. Alternate Jaime Hurtado, County of Riverside, District V

RTA Staff:

1. Larry Rubio, Chief Executive Officer
2. Tom Franklin, Chief Operating Officer
3. Craig Fajnor, Chief Financial Officer
4. Vince Rouzaud, Chief Procurement and Logistics Officer
5. Jim Kneepkens, Director of Marketing
6. Bob Bach, Director of Maintenance
7. Mark Stanley, Director of Planning
8. Laura Murillo, Director of Human Resources
9. Maricela Hernandez, Clerk of the Board of Directors
10. Brad Weaver, Communications Manager
11. Virginia Werly, Contract Operations Manager
12. Natalie Zaragoza, Contracts Manager

Other Attendees:

None

3. PUBLIC COMMENTS - NON-AGENDA ITEMS:

None.

4. APPROVAL OF MINUTES JANUARY 12, 2011, COMMITTEE MEETING:

M/S/C (PUGA/EDGERTON) approving the January 12, 2011, Committee meeting minutes. The motion carried with five affirmative votes and two abstentions (COMERCHERO/EVANS).

5. CASH FLOW PROJECTIONS:

Mr. Fajnor presented Cash Flow projections.

6. QUARTERLY INVESTMENT REPORT:

Mr. Fajnor presented Quarterly Investment report.

7. AUTHORIZATION TO AMEND LEASE AGREEMENT NO. 5-016 WITH BRIDGESTONE/FIRESTONE:

M/S/C (COMERCHERO/EVANS) approving and recommending this item to the full Board of Directors for their consideration as follows:

- Authorize staff to amend Agreement No. 5-016 with Bridgestone/Firestone in the amount of \$166,788.58 to cover the cost of tire leasing services during the 36-month run-out period.

The motion carried unanimously.

8. AUTHORIZATION TO ISSUE A SOLE SOURCE PURCHASE ORDER TO TRAPEZE SOFTWARE GROUP, INC., (TRAPEZE) FOR ANNUAL SOFTWARE LICENSING AND TECHNICAL SUPPORT FOR PARATRANSIT SCHEDULING SOFTWARE (PASS):

The Committee members unanimously approved and recommended this item to the full Board of Directors for their consideration as follows:

- Authorize staff to issue a sole source purchase order to Trapeze Software Group, Inc., in an amount that will not exceed \$61,936 for PASS software licensing and technical support.

9. BOARD MEMBER COMMENTS AND REMARKS:

None.

10. OTHER BUSINESS:

Mr. Rubio announced that on February 7 and 8 he would be commuting to San Diego to attend the American Public Transportation Association (APTA) Transit CEO's Seminar and said he would be available by cell phone.

11. ADJOURN:

The meeting adjourned at 2:16 p.m.

RIVERSIDE TRANSIT AGENCY  
1825 Third Street  
Riverside, CA 92507

March 2, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Craig Fajnor, Chief Financial Officer

SUBJECT: Cash Flow Projections

Summary: The Agency develops cash flow projections for the entire fiscal year representing weekly increments. Due to the size of the report, it is difficult to portray the entire fiscal year.

The attached report represents actual cash performance through late February 2011 with projections through April 2011. There are no cash flow issues anticipated during this reporting period.

Recommendation:

Receive and file.

**Riverside Transit Agency  
FY 2011 Funds Projection**

	Actual	Actual										
1	2/11/2011	2/18/2011	2/25/2011	3/4/2011	3/11/2011	3/18/2011	3/25/2011	4/1/2011	4/8/2011	4/15/2011	4/22/2011	4/29/2011
2	511,384	30,843	(68,027)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
3	<b>Receipts:</b>											
4			1,413,592									
5			143,334									
6												
7												
8	165,292	183,589	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
9	12,875	1,242	10,750	231,173	12,875	1,242	174,008	148,169	12,875	2,421		219,123
10	1,032	974									3,000	
11		57,652			52,000		426,208			52,000		
12				50,000		213,280					22,145	50,000
13	276,163	23,594		40,000	100,000		88,590	57,000	100,000		100,000	57,000
14	800,000			1,220,527	896,375	387,903	252,444	86,531	1,878,375	957,279	716,105	230,577
15	<b>Disbursements:</b>											
16	(538,789)	(150)	(555,000)		(555,000)		(555,000)		(555,000)		(555,000)	
17	(207,895)	(168,315)	(172,029)	(1,371,700)	(336,250)	(121,700)	(116,250)	(121,700)	(1,266,250)	(441,700)	(116,250)	(286,700)
18	(75,351)	(148,873)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
19	(513,869)	(48,583)	(100,000)	(150,000)	(150,000)	(460,725)	(250,000)	(150,000)	(150,000)	(550,000)	(150,000)	(250,000)
20	(400,000)		(602,621)									
20												
20												
21	30,843	(68,027)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

22 **LAIF Account:**

23	22,800,000	22,400,000	22,400,000	18,002,621	6,782,093	5,885,718	5,497,815	5,245,371	5,158,840	3,280,465	2,343,302	1,627,197
24										20,115		
25	(400,000)	-	602,621	(1,220,527)	(896,375)	(387,903)	(252,444)	(86,531)	(1,878,375)	(957,279)	(716,105)	(230,577)
26	-	-	(5,000,000)	(10,000,000)	-	-	-	-	-	-	-	-
27	22,400,000	22,400,000	18,002,621	6,782,093	5,885,718	5,497,815	5,245,371	5,158,840	3,280,465	2,343,302	1,627,197	1,396,620

28 **County Pool Account:**

29	-	-	-	5,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,012,308	15,012,308
30										12,308		
31	-	-	-	-	-	-	-	-	-	-	-	-
32	-	-	5,000,000	10,000,000	-	-	-	-	-	-	-	-
33	-	-	5,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,012,308	15,012,308	15,012,308

RIVERSIDE TRANSIT AGENCY  
1825 Third Street  
Riverside, CA 92507

March 2, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Craig Fajnor, Chief Financial Officer

SUBJECT: Quarterly Capital Grants Status

Summary: The Agency has, at any one time, a multitude of capital projects in progress or pending as circumstances and funding dictate. Capital projects are funded through a variety of funding sources including, but not limited to, Federal, State, and Local grants. Capital items funded with these grants include, but are not limited to, Revenue and Non-Revenue Vehicles, Transit Centers, Bus Stop Amenities, and Information Systems.

Depending on the nature and value of a capital project, it can take multiple years to accumulate the required funding to complete the project. Further, it can take multiple years to complete a project once it has commenced. Examples of such a scenario are the Twin Cities and Riverside Transit Centers, and bus replacement.

The Agency will always have capital needs due to replacement of retired assets, acquisition and/or maintenance of Agency infrastructure, and unique needs such as Transit Centers to serve the transportation needs of our customers. As such, the Agency should always have a backlog of open projects that preserve the future of the Agency.

Attached is an update of the Agency's capital projects through February 2011, focusing on the activities from December 2010 through February 2011. The Agency is required to provide quarterly reporting to the Federal Transportation Administration (FTA) one month after the end of each quarter. This reporting was submitted on time. In addition, the Agency has submitted its reporting to the FTA and State regarding American Recovery and Reinvestment Act (ARRA) and Proposition 1B grants as necessary.

Recommendation:

Receive and file.

# **Quarterly Capital Projects and Grants Status**

Riverside Transit Agency

Board Budget and Finance Committee Meeting

March 2, 2011

- Board actions
  - Authorized contract award to Valley Power Systems, Inc. for In-Frame Engine Rebuilding Services
  - Authorized donation of obsolete bus parts (Flxbles) to the Riverside Community College District Foundation
  - Approved the annual TUMF TIP / POP update (FY11 – FY15)
  - Authorized amendment of lease agreement with Bridgestone/Firestone for tires “run-out”



- Transit Centers
  - Corona
    - Construction complete; working punch list/warranty items
  - Riverside
    - Continued efforts on Site Feasibility Study
  - Twin Cities
    - Meetings held with city to identify alternate site location (across street from previous location; adjacent to French Valley interchange)
  - Hemet
    - Commenced efforts to change use of funds

- Vehicles
  - Revenue Vehicles
    - Installed electronic registering fareboxes (GFI) on Contractor-operated fixed route fleet
  - Non-Revenue Vehicles

- Facility Improvements
  - Commenced Riverside Site Perimeter Wall/Fence project
  - Commenced concrete repair at Riverside site
  - Progress (50%) on Riverside Maintenance Lighting Retrofit (Phase 2)
  - Roof repairs (all sites) SOW preparation commenced

- Bus Stops and Amenities
  - Commenced work on project plans and necessary contractual agreements for Signal Priority Demonstration Program on University Avenue

- Information Systems
  - Went “live” on Oracle 12i upgrade

# March - May Outlook

- 100% completion of Corona Transit Center
- Identify site location for Twin Cities Transit Center
- Substantial construction progress of Riverside Site perimeter wall/fence project
- Purchase and install new PCs (49)
- Upgrade Virtual Servers
- Upgrade email system
- Complete concrete repairs at Riverside site

# March - May Outlook

- Complete Phase 2 Lighting Retrofit in Maintenance Building at Riverside site
- Commence and complete the re-build / refurbishment of the Wash/Steam Rack in Riverside Maintenance
- Take initial delivery of E-Lo's (21-passenger revenue vehicle) from Creative Bus Sales

RIVERSIDE TRANSIT AGENCY  
1825 Third St.  
Riverside, CA 92507

March 2, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Chief Procurement and Logistics Officer

SUBJECT: Authorization to Issue a Sole Source Purchase Order to Trapeze Software Group, Inc. (Trapeze), Cedar Rapids, IA, for Annual Software and Maintenance Support for Intelligent Transportation Systems (ITS) Software

Summary: Staff is requesting authorization to issue a sole source purchase order to Trapeze Software Group, Inc. for annual software and maintenance support for the Agency's Intelligent Transportation Systems (ITS) software.

The ITS system, purchased in May 2005, was a \$3.7 million capital project that equipped the Agency's directly operated fleet with Mobile Data Terminals (MDTs), Global Position Systems (GPS) receivers and Automatic Passenger Counters (APCs).

The project also included Computer Aided Dispatch (CAD) workstations that directly link RTA dispatch with the location of fixed route buses via an Automatic Vehicle Location (AVL) system.

The AVL system uses GPS satellite technology with GPS receivers mounted on vehicles in order to determine the precise location of each vehicle in service. This data is communicated to RTA dispatch and allows for the calculation of the estimated vehicle arrival times displayed on Advanced Traveler Information Signs (ATIS). The ATIS signs, called "SmartSTOPS", provide passengers with route arrival and departure time information for that location and can be programmed to display other public notices as necessary.

The MDTs integrate with the vehicle's GFI farebox to provide detailed ridership information. The MDTs also connect with the vehicle's voice annunciator "next stop" interior signs giving passengers audible and visual references regarding stop location and transfer information.



The APCs log passenger boardings and alightings at the bus stop level, enabling staff to perform peak load analyses and make informed decisions regarding bus stop amenities and proposed service changes.

The ITS system improves operational efficiencies while enhancing service to the customer.

Trapeze ITS software is proprietary and can only be maintained by the software developer, Trapeze Software Group, Inc. As is customary with proprietary software, in order to be eligible for annual software updates along with maintenance support, the Agency is required to have an annual license and maintenance support agreement.

Fiscal Impact:

Funding in the amount of \$148,313 has been included in the Agency's FY11 operating budget for ITS hardware and software support maintenance.

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Authorize staff to issue a sole source purchase order to Trapeze Software Group, Inc. for ITS software and hardware maintenance, in an amount not to exceed \$148,313.

RIVERSIDE TRANSIT AGENCY  
1825 Third Street  
Riverside, CA 92507

March 2, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Chief Procurement and Logistics Officer

SUBJECT: Authorization to Enter into Agreement No. 11-001 with the City of Riverside for the Renewal of the City Employee Pass Revenue Program (City Pass)

Summary: The Agency and the City of Riverside have participated in an ongoing program since July 2007 called the City Pass. The City Pass is a program that enables City of Riverside employees to ride RTA fixed and commuter routes at no cost to the employee. Staff is proposing to extend the program for another year.

Renewal of the program has been discussed with City of Riverside staff and funds are being programed for next fiscal year. The revenue generated from the program is based on actual ridership which is calculated at the discounted rate of \$1.10 per-trip.

The program has steadily increased in popularity with City employees since its inception. Actual ridership figures available through the first eight (8) months of this fiscal year represents an 8.5% increase above FY10 levels. Based on this trend, staff is projecting FY12 ridership will increase by approximately 12%.

If approved, the new Agreement would become effective July 1, 2011 and run through June 30, 2012.

Fiscal Impact:

Staff anticipates the City Pass program will generate approximately \$14,880 in fare revenue for FY12.

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Authorize staff to enter into Agreement No. 11-001 with the City of Riverside for the renewal of the City Employee Pass Revenue Program for the period beginning July 1, 2011 through June 30, 2012.

RIVERSIDE TRANSIT AGENCY  
1825 Third Street  
Riverside, CA 92507

March 2, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Chief Procurement and Logistics Officer

SUBJECT: Authorization to Award Agreement #10-049 to Empire Transportation for Fixed Route and Regional Commuter Services (CommuterLink)

Summary: The Agency provides fixed-route and regional commuter services to approximately 1.5 million people living in western Riverside County. Of the Agency's 465,000 projected annual fixed route revenue service hours, approximately 35% are operated by private contractor. Table 1 identifies the specific route numbers and corresponding annual revenue service hours and miles for each contracted route. The current Agreement for these services is due to expire on June 30, 2011.

On October 1, 2010, staff issued Request for Proposal (RFP) #10-049 for *Fixed Route and CommuterLink Services*. The RFP was publicly advertised in a newspaper of general circulation and a notice was posted on the Agency's website along with a copy of the RFP document. In addition, the Agency sent notices of the contracting opportunity to the chambers' of commerce for those cities that are members of the Agency's Joint Powers Agreement for distribution among their membership. Eighteen (18) vendors downloaded a copy of the RFP document from the Agency's website.

The Scope of Work for this RFP requires the selected contractor to provide all services necessary for a 'turnkey operation' including but not limited to; facilities, operations, management, dispatching, maintenance, fuel, and insurance while the Agency provides the vehicles. The current number of vehicles assigned to the contracted fixed route and CommuterLink fleet, including spares is 84.

Contracted fixed route and CommuterLink services represents approximately 15% of the Agency's annual operating budget, employing 176 individuals in all aspects of the operation including drivers, mechanics, dispatchers and administrative support personnel.

Since fuel represents a major expense line item for a transportation services contract, vendors were instructed to use the Oil Price Information Service (OPIS) rack pricing for Colton, CA as the index to establish the baseline for

calculating fuel expenses. Using the OPIS rack pricing as the baseline put proposers on equal footing when developing their fuel projections. In addition, as is the case with the current agreement, the proposed agreement includes a fuel escalation/de-escalation clause. This clause either mitigates the successful contractor's expenses or provides a savings to the Agency should the cost of fuel increase or decrease by more than 10% during any six-month period. An example of this methodology is included under the fiscal impact section of this report.

The projected revenue vehicle hours and miles for FY12 are identified in Table 1 below. These projections are based on current schedule data for the Agency's contracted fixed route and CommuterLink services.

Table 1 – FY12 Hours and Miles

Route	Rev Hours	Rev Miles	Route	Rev Hours	Rev Miles
3	9,469	138,600			
7	9,760	153,399	51	1,947	20,992
8	9,801	191,570	53	710	10,563
23	13,297	199,114	55	715	9,328
24	8,586	125,951	61	6,192	123,708
30	7,400	89,386	74	10,544	201,144
31	7,536	143,160	79	10,703	212,596
32	5,898	74,499	202	5,295	158,084
33	4,674	67,906	204	5,268	138,950
35	6,639	168,455	208	6,893	176,831
40	3,019	69,974	210	2,632	45,763
41	7,010	132,354	212	5,667	156,897
42	5,983	92,741	217	6,725	219,992
50	2,454	15,900	<b>Grand Total</b>	164,997	3,137,857

On November 29, 2010, the Agency received proposals from the following four (4) vendors:

- Transportation Concepts, Inc. – Irvine, California
- First Transit, Inc. – Cincinnati, Ohio
- Southland Transit, Inc. – El Monte, California
- Empire Transportation, Inc. – Bellflower, California

The proposal submitted by Southland Transit, Inc. was deemed non-responsive as their submittal was incomplete and was excluded from further consideration.

The remaining proposals were evaluated by a selection committee representing staff from the purchasing, direct operations, contract operations, and maintenance departments. In addition to pricing, vendors were rated in four

technical areas: qualifications and related experience, staffing, project organization, and an understanding of the Agency’s requirements.

The three vendors were invited for in-person interviews. As part of the interview process, each vendor was asked to make available key project personnel so they could be interviewed directly by the committee in areas thought to be critical to the success of this project. This process is designed to be challenging and candidates are presented with real operational scenarios requiring them to demonstrate their experience and critical thinking skills.

After the interview process, the overall technical rankings were as follows:

Table 2 – Technical Ranking

Vendor Name	Technical Ranking
Empire Transportation	66.6
Transportation Concepts	55.4
First Transit	49.7

The next step in the evaluation process was to conduct a thorough price analysis comparing resources and individual cost elements for reasonableness. This exercise highlights cost variances by line item between vendors and is intended to ensure proposals are compared on an “apples to apples” basis. Table 3 below is a comparison of the initial pricing for both the base period and the five one-year options.

Table 3 – Initial Pricing

	Empire Transportation	First Transit	Transportation Concepts
Base Period			
First 2 years	\$ 18,276,189	\$ 21,552,301	\$ 21,864,499
Option 1	\$ 9,234,336	\$ 11,227,502	\$ 11,460,986
Option 2	\$ 9,433,345	\$ 11,682,350	\$ 12,000,273
Option 3	\$ 9,638,879	\$ 12,072,635	\$ 12,506,186
Option 4	\$ 9,849,306	\$ 12,434,814	\$ 12,996,174
Option 5	\$ 10,064,627	\$ 12,807,858	\$ 13,510,091
<b>TOTAL COST</b>	<b>\$ 66,496,682</b>	<b>\$ 81,777,460</b>	<b>\$ 84,338,209</b>
<b>% Difference</b>	<b>0.00%</b>	<b>22.98%</b>	<b>26.83%</b>

In order to address the variances and provide vendors the opportunity to clarify their pricing submittals, staff solicited Best and Final Offers (BAFO’s). Included in the Agency’s BAFO requests were vendor specific questions dealing with proposed operation plans, facility location(s) and corresponding fleet size requirements, the deadhead impact of the proposed work plan and whether changes to any of these items would ultimately affect each vendor’s pricing structure. Additionally, the committee decided to limit the number of option years from five one-year options to three one-year options. Finally, discrepancies

noted in the categories of labor expenses and associated fringe benefits, maintenance expenses, fuel expenses, facilities, training, and insurance expenses were highlighted as needing review to ensure pricing contained all known and anticipated costs.

BAFO pricing is summarized in Table 4 below:

Table 4 – BAFO Pricing

	<b>Empire Transportation</b>	<b>First Transit</b>	<b>Transportation Concepts</b>
Base Period			
First 2 years	\$ 18,743,953	\$ 20,158,617	\$ 20,952,872
Option 1	\$ 9,195,187	\$ 10,480,589	\$ 10,977,600
Option 2	\$ 9,392,565	\$ 10,904,706	\$ 11,400,826
Option 3	\$ 9,596,467	\$ 11,263,574	\$ 11,870,715
<b>TOTAL COST</b>	<b>\$ 46,928,172</b>	<b>\$ 52,807,486</b>	<b>\$ 55,202,013</b>
<b>% Difference</b>	0.00%	12.53%	17.63%

At the conclusion of the evaluation process, it was the selection committee's determination that Empire Transportation was the most technically responsive and responsible vendor and would provide the best value to the Agency. Empire Transportation provided a detailed discussion of how improvements would be made to minimize deadhead hours and to provide a superior level of management oversight. As a result, staff recommends awarding a two-year agreement with three one-year options to Empire Transportation as the best value provider for contracted fixed route and CommuterLink services.

Fiscal Impact:

Empire Transportation has proposed \$18,743,953 to operate the services for the two-year base period and a total of \$46,928,172 for the full five years.

As mentioned previously, vendors were instructed to use OPIS rack pricing as the baseline for calculating fuel expenses. The final BAFO pricing for Empire Transportation shown in Table 4 above reflects final negotiated contract pricing inclusive of adjustments for fuel during the procurement period. It should be noted that the new Agreement is not scheduled to take effect until July 1, 2011, at which time the contract amount may need to be adjusted should fuel prices rise above current projections. If that should occur, staff will return to the Board in July with an update and recommendation.

The fuel escalation/de-escalation clause is structured so that it can only be utilized in the event of a greater than 10% increase or decrease in fuel costs during any six-month period.

