



STAFF REPORT

Meeting Type: City Council
Meeting Date: May 6, 2024
From: Andi Howell, Transit Director
Subject: Final Amendment: Transit Operations Contract

DECISION TO BE MADE:

Whether to authorize the City Manager to sign an amendment to the current Transit operations contract for one year. This is the last remaining year of the five-year contract.

PURPOSE / OBJECTIVE:

To continue Transit operations with a 5% driver and staff wage increase, with only a slight increase to rate per revenue service hour.

BACKGROUND / CONTEXT:

The transit operating contract with MV Transportation will end June 30, 2024. An extension has been negotiated for continued service. Sandy Transit pays MV Transportation a flat hourly rate based on revenue service hours. The flat rate covers driver wages, dispatch and management staff and other overhead costs. The current rate of \$79.75 will increase to \$81.00 (\$1.25), except for the medical rides program where the rate will increase from \$74.79 to \$75.47 (\$0.68). The rate increase includes a 5% wage increase, more funding in the budget for driver recruitment and higher insurance costs, however with the addition of the Clackamas Town Center route hours those costs can be diluted in the hourly rate, keeping it relatively low as compared to the current rate.

The City and MV have worked hard over the past 4 years of this contract to improve service, recruit professional drivers and deliver an efficient, dependable service to Sandy residents. At the top level, MV Transportation has undergone leadership changes and the City has been assigned to a new Regional Vice President (Aaron Edwards) and a new General Manager (Tamara Darnell). Aaron has immensely improved communication and problem solving, and Tamara has been a great asset to the team. With corporate changes and increased wages, staff shortages have improved, and safety and customer service remain top priorities. While Sandy has always been able to be proud of the driving team that represent our City, the current team is professional and well trained.

