

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 6/8/2022

Staff Report No. 11-256m

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Dumbarton Express Contract Extension

ACTION ITEM

RECOMMENDED ACTION(S):

Consider authorizing the General Manager to enter into an extension of the contract with MV Transportation to operate the Dumbarton Express service for the period of July 1, 2022 to December 31, 2022.

STRATEGIC IMPORTANCE:

Goal - Convenient and Reliable Service
Initiative - Service Quality

The Dumbarton Express is a vital transit service that principally serves the journey-to-work travel market between the East Bay and the Peninsula. It has been in operation since 1984 and continues to be an important commute alternative in the Dumbarton Bridge corridor.

BUDGETARY/FISCAL IMPACT:

The Dumbarton Express operation is funded entirely through revenues from Regional Measure 2 bridge tolls and AC Transit EasyPass sales to Stanford University. Aside from a minor amount of staff time to administer the service contract, no other District funds or resources are used to support the Dumbarton Express.

The contract extension with MV Transportation may result in an increased hourly rate which could cause costs to exceed available funding to operate the service. If this is the case, staff will request additional Regional Measure 2 funding and may also reach out to the Dumbarton Bridge Regional Operations Consortium (DBROC or the Consortium) to request equal financial contribution to close the funding gap. If additional funds are not available, staff will need to reduce service during the contract extension period to match available funds and reassess service levels prior to entering into the longer-term service contract after December 31, 2022.

BACKGROUND/RATIONALE:

The Dumbarton Express services connects southern Alameda County with the southern portion of San Mateo County and the northern portion of Santa Clara County and has been in operation since 1984. The Dumbarton Express service is overseen by the DBROC, a group of five Bay Area transit agencies of which AC Transit is a member. The other DBROC member agencies are the San Francisco Bay Area Rapid Transit District (BART), the City of Union City (Union City Transit), the San Mateo County Transit District (SamTrans), and the Santa Clara

Valley Transportation Authority (VTA). AC Transit has been the administrator of the service on behalf of the DBROC for the entire term of the current contract with MV Transportation as the service provider, beginning with an initial five-year contract from 2011 to 2016 and five exercised single-year options since. The last single-year option was exercised for calendar year 2021, with an end date of December 31, 2021. The consortium needed to select a service provider prior to calendar year 2022 in order to continue service without interruption.

The Consortium intended to have a service provider in place by January 1, 2022 with the City of Union City leading the procurement and award process. Towards the end of 2021, the City of Union City informed District staff that the release of Request for Proposal (RFP) was delayed. The Consortium recommend extending the contract with MV Transportation through June 30, 2022. AC Transit, in its capacity as service administrator, executed the initial six-month extension.

While the City of Union City has been making its best efforts to complete the procurement before July 1, 2022, it will not be able to meet that deadline. In order to avoid an interruption of Dumbarton Express service and to permit the procurement to continue, the Consortium is recommending a second extension of the contract with MV Transportation through December 31, 2022.

Like the vast majority of transit service across the country, the COVID-19 pandemic resulted in reduced ridership on the Dumbarton Express. Pre-pandemic, the two Dumbarton Express routes combined carried approximately 1,100 daily passengers. During April 2020, the first full month of the statewide lockdown due to the pandemic, average daily ridership dropped to 256. To better align service levels with demand and protect funding, revenue hours were reduced by 15% in June 2020. Since the beginning of 2021, the average daily ridership began to recover. As of April 2022, the average daily ridership is 540 or just under 50% of pre-pandemic ridership levels; in contrast, AC Transit's own Transbay service - which is comparable to the Dumbarton Express in several respects - currently has ridership levels at about 18%.

ADVANTAGES/DISADVANTAGES:

The advantage of granting the extension is that it is an important step in ensuring continuity of the Dumbarton Express service after June 30, 2022 and enables the RFP process to select a service provider to continue. There are no known disadvantages other than a delay to enter into the new long-term contract.

ALTERNATIVES ANALYSIS:

The alternative would be to let the six-month extension expire on June 30, 2022 with an interruption in service for an unknown amount of time until a service provider is in place. This alternative is not recommended as the DBROC believes that such an outcome is detrimental for current and potential DB riders.

PRIOR RELEVANT BOARD ACTION/POLICIES:

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ATTACHMENTS:

None

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