



Pomona Valley
Transportation
Authority

A partnership of the cities of Claremont, La Verne, Pomona and San Dimas

2120 Foothill Boulevard ■ Suite 116 ■ La Verne California 91750
phone 909-596-7664 fax 909-596-7399

April 13, 2022

**AGENDA
ITEM #4**

MEMORANDUM

To: Pomona Valley Transportation Authority
From: George L. Sparks, P.V.T.A. Administrator
Subject: **Amendment to the Agreement between P.V.T.A. and First Transit**

Recommended Action: *Approve Amendment #2 to the Agreement between P.V.T.A. and First Transit to increase vehicle operator compensation and improve staff recruitment and retention.*

Driver Recruitment Challenges

Driver recruitment remains a challenge. First Transit's driver roster is about 50% of normal, this driver shortage is limiting our ability to increase ridership and meet our rider needs. The situation will grow more serious as many of the groups that have depended on us in the past return to normal operations. First Transit has been unable to add to its roster for the last several months despite offering a \$2500 sign on bonus for new hires. The cab provider managed to add a few drivers but has recently lost two dedicated drivers. The impact on driver recruitment and our service resulting from the COVID emergency, requires us to take additional actions to improve our competitiveness in the current labor market.

Competitive Labor Market

PVTA finds itself in an extremely competitive labor market. Our wage rates are still not significantly higher than the minimum wage standard of \$15 per hour. Demand for drivers is increasing as more large entities enter the delivery market have increased wages and benefits. Several transit operators have already increased wages to try to attract drivers. A brief survey of area transit providers starting wages is shown below:

- **-Riverside Paratransit** **\$19.00 per hour.**
- **-Omnitrans** **\$16.00 per hour**
- **-OCTA Access** **\$17.13 per hour ***
- **-Pasadena** **\$17.25 per hour**
- **-First Transit El Monte (seven services)** **\$16.50 per hour**
- **-Palos Verdes Peninsula** **\$18.00 per hour**

*Effective July 1

Foothill Transit's contractors have raised wages and Metro now has a starting wage of \$19.12 rising to a top rate of \$27.31 after 48 months.

First Transit's wage rates for the PVTA location are shown below:

- *Starting Wage* **\$16.00**
- *One Year* **\$16.40**
- *Two Years* **\$16.80**
- *Three Years +* **\$17.55**

GPPV certified operators receive a \$1.25 per hour premium above the normal hourly rate. The First Transit labor agreement for PVTA expires on December 31.

Proposed Increase and Rate Adjustment

PVTA staff believes that a wage increases of \$1.00 to \$1.50 per hour would improve our ability to recruit additional drivers. It should be noted that any changes in driver compensation would need to be achieved through collective bargaining. The contract rate increase in the attached contract amendment would generate sufficient funding for a \$1.50 per hour increase. The drivers for our cab operator, Network, would see increases as well. We estimate that this amendment would increase Get About cost by about \$110,000 annually or 2.8%. First Transit has committed to dedicate the increased revenues generated by this increase to additional driver compensation for drivers, dispatchers and utility workers and has committed full transparency relating to the use of the additional funds including PVTA review and audit. Refer to First Transit's letter of March 31, 2022. Our goal is to raise the starting wage to \$17.50 or greater as soon as possible.

Staff will be providing the board with updates regarding driver wage rates and progress in recruiting.



George Sparks
Pomona Valley Transit Authority

March 31, 2022

Mr. Sparks

First Transit would like to thank you and PVTA for the continued partnership through these difficult times of the pandemic and understanding of the changes in the market with driver and staffing challenges. The increase in rates provided by PVTA shall go to drivers, dispatchers utility workers once we negotiate a new collective bargaining agreement, First transit and Network are committed to provide full transparency in the adjustment in rates being provided and shall be open PVTA to review and Audit to ensure the wages agreed to are provided to the employees.

Thank you once again on behalf of First Transit

If you should require further information, please continue to contact me at (408) 667-2846 or tony.mercado@firstgroup.com

Tony Mercado Regional Director of Operations

Tony Mercado

**AMENDMENT OF AGREEMENT
AMENDMENT NO. 2**

THIS AMENDMENT to a previous Agreement is made this 13th day of April 2022 by and between the Pomona Valley Transportation Authority, hereinafter referred to as "PVTA" and First Transit Inc. hereinafter referred as "CONTRACTOR".

WITNESSTH:

WHEREAS, PVTA and CONTRACTOR entered into a prior Agreement on the 12th day of February 2020 for the provision of management, operations and maintenance services for its transportation projects; and

WHEREAS, PVTA and CONTRACTOR amended said agreement on September 8, 2021.

WHEREAS, the impact of the COVID pandemic has limited the ability to recruit a sufficient number of vehicle operators and other service personnel to meet the requirements of PVTA's transportation services. PVTA and the CONTRACTOR desire to increase compensation for vehicle operators and other service personnel to secure a sufficient number of said personnel. PVTA and CONTRACTOR desire modify said prior Agreement as amended.

NOW THEREFORE, it is hereby agreed that the Agreement dated February 12, 2020 as subsequently amended is further amended in the following particulars only:

1. **SECTION 8.1.2 Fixed Hourly Rate-Dedicated Vehicle Services** shall be amended to read:

2. **Fixed Hourly Rate-Dedicated Vehicle Services:** A Fixed Hourly Rate for Dedicated Vehicle Services of:

- a) \$43.45 per Vehicle Revenue Hour for the period July 1, 2020, through June 30, 2021.
- b) \$45.21 per Vehicle Revenue Hour for the period July 1, 2021, through April 30, 2022.
- c) \$47.83 per Vehicle Revenue Hour for the period May 1, 2022, through June 30, 2022.
- d) \$49.54 per Vehicle Revenue Hour for the period July 1, 2022, through June 30, 2023.
- d) \$51.22 per Vehicle Revenue Hour for the period July 1, 2023, through June 30, 2024.

For dedicated vehicle service, as defined in Exhibit A, Scope of Work, a Vehicle Revenue Hour shall be defined as any sixty-minute increment of time, or portion thereof, that a vehicle is

available for passenger transport within the established hours of service. A vehicle is available for passenger transport from the time it arrives at its first pick-up address and ends when it has completed its last passenger drop-off. If the first scheduled pick-up is a no-show, the vehicle arrival time at that stop shall still be used for computation of vehicle service hours, however, this rule shall not apply to late trip cancellations.

Vehicle revenue hours shall exclude any meal breaks, service breaks, fueling time, mechanical breakdowns and time a vehicle is down due to an accident. Drive time to and from breaks and lunch breaks will be excluded.

The total number of Vehicle Revenue Hours for Get About service will amount to a maximum of 26,000 Vehicle Revenue Hours annually. Fixed Hourly Rate cost elements are detailed in Exhibit B CONTRACTOR'S PROPOSAL attached hereto and made a part hereof by reference.

In the case where a CONTRACTOR-operated vehicle leaves Get About service to provide Claremont or Pomona Group services or if a CONTRACTOR-operated vehicle providing Claremont or Pomona Group services returns directly to Get About service travel time to and/or from Get About service may be included in the billable Vehicle Revenue Hours. Travel time to and from the transportation yard, fueling, driver breaks, and lunch breaks shall not be included in the billable Vehicle Revenue Hours. The total number of Vehicle Revenue Hours for Claremont and Pomona Group Services shall be limited to no more than 5,000 Vehicle Revenue Hours annually.

2. SECTION 8.1.4 Payment Rates-Supplemental and Demand Response Services shall be amended to read:

4. Payment Rates-Supplemental and Demand Response Services PVTA will compensate the CONTRACTOR for the provision of Supplemental and Demand Response Services as defined in Exhibit A, Scope of Work in accordance with the following schedule:

a. Rate for Get About Supplemental Service

- 1) \$20.52 per passenger trip for the period July 1, 2020 through June 30, 2021.
- 2) \$21.14 per passenger trip for the period July 1, 2021 through April 30, 2022.
- 3) \$22.20 per passenger trip for the period May 1, 2022 through June 30, 2022.

- 4) \$22.85 per passenger trip for the period July 1, 2022 through June 30, 2023.
 - 5) \$23.54 per passenger trip for the period July 1, 2023 through June 30, 2024.
- b. Rate for Claremont Dial-a-Ride Demand Response Service**
- 1) \$9.98 per passenger trip for the period July 1, 2020 through June 30, 2021.
 - 2) \$10.28 per passenger trip for the period July 1, 2021 through April 30, 2022.
 - 3) \$10.79 per passenger trip for the period May 1, 2022 through June 30, 2022.
 - 4) \$11.12 per passenger trip for the period July 1, 2022 through June 30, 2023.
 - 5) \$11.45 per passenger trip for the period July 1, 2023 through June 30, 2024.
- c. Rate for San Dimas Dial-A-Cab Service**
- 1) \$13.38 per passenger trip for the period July 1, 2020 through June 30, 2021.
 - 2) \$13.78 per passenger trip for the period July 1, 2021 through April 30, 2022.
 - 3) \$14.47 per passenger trip for the period May 1, 2022 through June 30, 2022.
 - 4) \$14.90 per passenger trip for the period July 1, 2022 through June 30, 2023.
 - 5) \$15.35 per passenger trip for the period July 1, 2023 through June 30, 2024.
- d. Rate for Get About Ready Now**
- 1) \$15.08 per passenger trip for the period July 1, 2020 through June 30, 2021.
 - 2) \$15.53 per passenger trip for the period July 1, 2021 through April 30, 2022.
 - 3) \$16.30 per passenger trip for the period May 1, 2022 through June 30, 2022.
 - 4) \$16.80 per passenger trip for the period July 1, 2022 through June 30, 2023.
 - 5) \$17.30 per passenger trip for the period July 1, 2023 through June 30, 2024.
- e. Rate for Get About One Step Over the Line**
- 1) \$3.50 per revenue mile for the period July 1, 2020 through June 30, 2021.
 - 2) \$3.61 per revenue mile for the period July 1, 2021 through April 30, 2022.
 - 3) \$3.79 per revenue mile for the period May 1, 2022 through June 30, 2022.
 - 4) \$3.91 per revenue mile for the period July 1, 2022 through June 30, 2023.
 - 5) \$4.03 per revenue miles for the period July 1, 2023 through June 30, 2024.
- f. Rate for Dedicated Vehicle Driver for Supplemental and Demand Response Services**

The hourly rate for a dedicated driver and vehicle for Supplemental and Demand Response Service as defined in Exhibit A, Scope of Work. Said services must be authorized by PVRTA. In addition to the Vehicle Revenue Hour rate. PVRTA may be billed at the per trip rate for rides provided by the dedicated driver and vehicle.

- 1) \$26.00 per Vehicle Revenue Hour for the period July 1, 2020 through June 30, 2021.
- 2) \$26.78 per Vehicle Revenue Hour for the period July 1, 2021 through April 30, 2022.
- 3) \$28.12 per Vehicle Revenue Hour for the period May 1, 2022 through June 30, 2022.
- 4) \$28.96 per Vehicle Revenue Hour for the period July 1, 2022 through June 30, 2023.
- 5) \$29.83 per Vehicle Revenue Hour for the period July 1, 2023 through June 30, 2024.

g. Wheelchair Incentive

Additional fee for transporting a PVTA rider in supplemental and demand response service utilizing a wheelchair, scooter or equivalent mobility device.

\$3.00 per passenger trip by rider using a mobility device.

2. All Other provisions and requirements in the Agreement dated February 12, 2020 as amended, remain unchanged.

IN WITNESS WHEREOF, the parties have caused this Amendment No.2 to the Agreement to be executed by and through their respective officers thereunto duly authorized on the date first written above.

**POMONA VALLEY
TRANSPORTATION AUTHORITY**

FIRST TRANSIT INC.

By _____

By _____

Title _____

Title _____

Date _____

Date _____