

**City of Waupaca**  
**Council Agenda Item Staff Report**

**FROM:** Kathryn Kasza  
Finance Director/City Treasurer 

**DATE:** October 1, 2020

**SUBJECT:** Contract Extension with Brown Cab

**DISCUSSION:**

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The current 2-year contract with Brown Cab/Running Inc expires 12/31/2020. In the contract we have three (3) extensions we can execute until the City is required to go out for a Request for Proposals. The rate will increase based on the parameters determined by WI-DOT and the Federal 53.11 Grant we are under (August CPI-U). The current rate of \$31.47/hour will be increased 1.3% to \$31.88/hour. We will be receiving CARES funding that should help in covering the increase as well as look at increasing the fares during the next year to cover any shortfalls.

If you have any questions regarding the item, please contact me prior to the meeting.

**REQUESTED ACTION:**

**Recommend the Common Council approve a 1-year extension to the Brown Cab/Running Inc contract for the operation of the Waupaca Taxi Service, as presented.**

**2019 AND 2020 SHARED RIDE TAXI OPERATING CONTRACT  
BETWEEN THE CITY OF WAUPACA, WISCONSIN AND  
BROWN CAB SERVICES, INC.**

This Contract is made by and between the City of Waupaca, Wisconsin hereinafter referred to as "City" and Brown Cab Services, Inc. hereinafter referred to as "Contractor."

**PRELIMINARY STATEMENT**

The City of Waupaca sponsors a Share-Ride Taxi Service as a public transportation program to serve its residents. The City solicited proposals for the operation of this service from the period commencing January 1, 2019 and ending on December 31, 2020 and the Contractor's proposal was deemed to be most advantageous to the City and was accepted.

This contract shall include all the necessary performance standards outlined in the Request for Proposal (RFP), addendums, and the Contractor's response to that RFP by reference, including, but not limited to, service area, service standards, hours of service, service levels, handling of revenues, reservation policies, maintenance, insurance, licensing, complaint handling, promotion and publicity and any other requirements identified in the RFP.

**CONTRACT CONDITIONS**

The contractor shall, throughout the term of this contract, be responsible for maintaining proper licensing for operation as a taxicab company in the service area described in the RFP. All revenues collected by the provider, shall belong to the City and shall be shown as a separate line item on each invoice.

The Contractor shall submit invoices for the total number of hours of service provided to the City no more frequently than monthly, and the City shall review said invoice and pay the Contractor within 20 working days after receipt of a properly submitted invoice.

Additionally, the Contractor shall provide to the City within 25 days of the conclusion of any calendar month, the following reports as detailed in the RFP. Specifically, a monthly report showing total passenger trips, passenger revenue, package delivery revenue, total miles operated and total driver hours worked. The Contractor is also responsible for preparing and submitting to the City quarterly and annual reports required by the Wisconsin Department of Transportation Transit Section (WDOT, Transit).

The Contractor shall maintain and retain for a period of three years or one year after the DOT program year audit is completed, whichever is longer, driver logs and dispatch records to allow the City or the WDOT, Transit to verify any data reported or billed to the City in previous periods.

The City reserves the right to discontinue the contract's remaining option years at any time and may elect to re-bid the contract in whole or in part when changes in scheduled hours or hourly costs are not mutually acceptable between the Contractor and the City. Any such discontinuation

of the contract shall have at least 120 days written notice to the Contractor, including the decision to not exercise an option year.

The City may terminate this contract with 120 days written notice to the Contractor. This contract shall not be assigned, transferred or encumbered in any manner without the prior written consent of the City, which consent shall not be unreasonably withheld.

The maximum annual amount of funding for this contract shall be \$540,812 based on 17,185 hours of service at the rate of \$31.47 per hour. Option year rates will be determined based upon the percent change in the CPI-U from the preceding year applied to the current contract year price, the information of which is provided by WDOT, Transit.

All Federal Certifications, Assurances and Clauses included in the RFP document and certified by the Contractor, including the RFP and addendums, shall be included in this contract by reference.

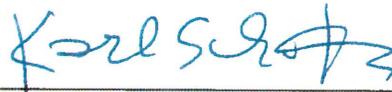
Dated this 12 day of December, 2018

**FOR THE CITY OF WAUPACA, WI**

**FOR BROWN CAB SERVICES, INC.**

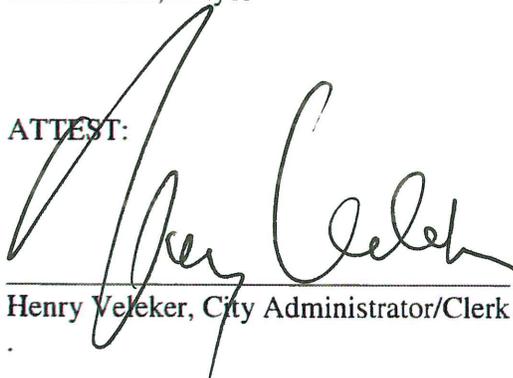


Brian Smith, Mayor



Karl Schulte, General Manager

ATTEST:



Henry Veleker, City Administrator/Clerk

ATTEST:

Drafted by:  
Henry Veleker, City Administrator/Clerk

**EXERCISE OF OPTIONS FOR SHARED-RIDE TAXI SERVICES**

City of Waupaca

Federal Transit Administration’s Circular 4220.1F, requires that a price analysis is completed for each of the option years of your Shared Ride Taxi contracts.

Check your contract to see if you have a 1 year contract with 4 option years or a 2 year contract with 3 option years. **If the next calendar year is an option year, please complete this form and submit to the WisDOT Bureau of Transit by September 30, 2020.**

To calculate your vendor’s hourly rate for next year, add their current rate plus the most recent annual rate of inflation, the Consumer Price Index for all items as published on the Bureau of Labor Statistics web site: <https://www.bls.gov/news.release/pdf/cpi.pdf>

The current rate (CPI-U) for all items used for this calculation is 1.3%, based on the annual rate from August 2020 per Section 2.22 in the RFP.

City of Waupaca rate	Current Rate of Inflation	Rate that will be paid in 2021 (current rate x current rate of inflation)
\$31.47	1.3%	\$31.88

\*\*Please compare the 2021 rate with the spreadsheet of Shared-Ride Taxi service costs for systems statewide (taking into account similar percentage increases for inflation as calculated above), and give **specific information** below that asserts your hourly rate for 2021 is *fair and reasonable*. (stating “per contract” is not an adequate response to comply with FTA requirements)

The rate is fair and reasonable because: It is using the current rate of inflation on the current rate and comparable with renewal rates in similar sized systems in our area.

This agreement with *Brown Cab/Running Inc* is in accordance with the original RFP, all attachments, addenda and revisions, the contractor’s proposal and all applicable federal certifications and clauses.

Please have this document signed by the vendor and a transit system signatory authority, scan the document and submit it to [danette.tessmann@dot.wi.gov](mailto:danette.tessmann@dot.wi.gov)

The federal clauses must also be signed by the vendor and submitted to [danette.tessmann@dot.wi.gov](mailto:danette.tessmann@dot.wi.gov)

\_\_\_\_\_  
Vendor Name and Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Transit System Signature

\_\_\_\_\_  
Date