

# *City of Brisbane*

## *Agenda Report*

**TO:** Honorable Mayor and City Council

**FROM:** Fred Smith via Clay Holstine, City Manager

**DATE:** Meeting of Meeting of May 3, 2010

**SUBJECT:** Consider approval of agreement with CYO Transportation Services (CYO) for school bus transportation services.

**CITY COUNCIL GOALS:**

Goal #5. To promote transportation opportunities that maximize safety, reliability, enhance circulation and create options thereby reducing reliance on the use of the automobile.

Goal #10. To promote intergovernmental opportunities that enhance services and/or reduce costs of operations and services to city residents.

**PURPOSE:** To maintain school bus services for Brisbane high school students.

**RECOMMENDATION:**

Authorize the Mayor to execute the Agreement with CYO.

**BACKGROUND and DISCUSSION:**

Because of state cuts to education funding, the Jefferson Union High School District (District) Board has decided to eliminate funding for the Home to School Bus program. This is a District run program but, for the past several years, the cost of this service between Brisbane and Terra Nova and Oceana High Schools has been shared between the City and the District. In order to preserve bus service for Brisbane students, the City has been exploring ways to provide this service utilizing only the City funding.

The City currently provides a total of \$67,500 per year to the Jefferson High School District to support programs benefitting Brisbane students. In 2009/10, the funds were allocated as follows.

|                                      |                |
|--------------------------------------|----------------|
| Home to School Bus (partial support) | \$30,000       |
| Late Bus (total cost)                | \$23,500       |
| Extended Library                     | \$10,500       |
| Other Academic Support               | <u>\$3,500</u> |
| Total                                | \$67,500       |

In addition to City support for the bus service, the families of students pay \$360 per year (with reduced or waived fee for financial hardship) which raises a total of approximately \$16,000 per year. Up to now, the Jefferson District has been contributing \$39,000 per year to support the Brisbane Home to School Bus.

In addition, staff has pursued private contribution options and the Brisbane Chamber of Commerce has committed to a contribution of \$10,000. This will increase total funding available, without raising student bus fees, to \$93,500.

On February 8<sup>th</sup>, staff met with interested parents regarding the Home to School bus program to discuss possible options and various levels of service. Approximately 40 parents attended this meeting and overwhelmingly indicated that preserving the bus service is critical to Brisbane students and families.

The City Council 2 by 2 School Subcommittee met on March 9<sup>th</sup> to consider options for funding the bus service. The two available options for providing the service were to pay the District's full cost or to contract with a lower cost vendor. The City has received a proposal from a school bus company, CYO, to provide the Home to School service for \$58,500 and the After School service for \$22,500. The cost to have the District provide the Home to School service would be \$87,742 and the After School service for \$23,000.

The Subcommittee considered various service and funding scenarios and determined that the best option would be to hire CYO to provide Home to School and After School bus service at a total cost of \$81,000. With current funding levels and anticipated donations, this scenario leaves up to \$12,500 to support other school programs, such as extended library hours that the City is currently supporting. This year, the District has requested \$10,500 for extended library hours, which will leave approximately \$2,000 as a contingency in case bus fee revenue is less than projected. The Funding Agreement with the District for extended library hours is on this meeting's agenda as a separate item.

According to the District, the projected number of Brisbane students is approximately 60 to 66 students. The busses proposed to be used by CYO have a nominal capacity of 56 students seated two to a seat. The seats can accommodate three students on a limited basis, but it is tight and, if more than a few of the seats were used by three students, the bus would be overcrowded resulting in an unsafe condition. Given the size of the bus and the projected number of students from Brisbane, it seems unlikely that there will be any slots available to out of town students. Staff is recommending that the bus service only be available to students that are Brisbane residents.

## **FISCAL IMPACT/FINANCING ISSUES:**


The Subcommittee's recommended option would continue the City's current funding level for high school transportation at \$67,500. It would also not require an increase in fees paid by students' families. In addition, the District will continue to collect the fees at the current level and transfer those revenues (approx. \$16,000 per year) to the City.

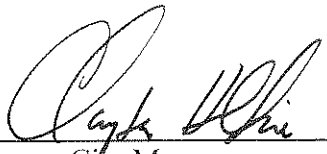
The \$10,000 private donation will enable the City to continue its support of non-transportation programs – namely extended library hours and provide a \$2,000 contingency.

If the Council approves the Agreement with CYO, funding will be included in the 2010/11 budget.

**MEASURE OF SUCCESS:**

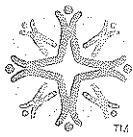
Brisbane students that attend Oceana and Terra Nova High Schools will continue to have a viable transportation option to and from Brisbane.

  
\_\_\_\_\_  
Department Head

  
\_\_\_\_\_  
City Manager

**ATTACHMENTS:**

Proposed Agreement with CYO



## **SCHOOL BUS TRANSPORTATION AGREEMENT**

**THIS AGREEMENT**, between CYO TRANSPORTATION SERVICES, a division of Catholic Charities CYO ("CYO"), and THE CITY OF BRISBANE ("City"), is made with reference to the following facts:

A. City desires to obtain school bus transportation services for high school students residing within the City of Brisbane for the school year beginning in September, 2010 and ending in June, 2011 (the "2010-2011 School Year").

B. CYO is willing to provide such services, on the terms and conditions hereinafter set forth.

**NOW, THEREFORE, the parties agree as follows:**

**1. Transportation Services To Be Provided.**

(a) CYO will provide one (1) California Highway Patrol certified school bus with a maximum capacity of 56 passengers, and one (1) certified school bus driver to provide the transportation services described in this Agreement. As used herein, the term "certified school bus driver" includes a driver who:

- (1) has been duly licensed by the California Department of Motor Vehicles to operate a school bus of the kind that will be used to provide the transportation services hereunder and such license is in full force and effect at all times during the performance of such services; and
- (2) has been fingerprinted and for whom a background check has been performed by a law enforcement agency which discloses no criminal arrests or convictions; and
- (3) has a point score on their driving record of two points or less as shown on the records of the California Department of Motor Vehicles.

If, at any time during the term of this Agreement, City raises any objection to a particular driver assigned by CYO to perform the transportation services hereunder, CYO shall promptly assign a different driver and failure to do so shall constitute grounds for termination of this Agreement by City.

(b) Students from the City of Brisbane will be transported in one bus from predetermined bus stops in the morning to arrive at Oceana High School in Pacifica by 7:35 a.m., and then to arrive at Terra Nova High School in Pacifica by 7:45 a.m. In the afternoon, one bus will depart from Terra Nova High School at 2:45 p.m., and then to arrive at Oceana High School at 2:55 p.m., to depart and return students to the same predetermined bus stops in the City of Brisbane. In the evening, one bus will depart from Terra Nova High School at 5:30 p.m., and then to Oceana High School at 5:40 p.m., to depart and return students to the same predetermined bus stops.

- (c) Transportation services, as described in Section 1(b), will be provided on each school day during the 2010-2011 School Year as specified in the School Calendar.
- (d) In addition to the transportation services described above, CYO shall provide to City one certified 56 passenger school bus and one certified school bus driver for five (5) round-trips within the Bay Area, at no charge.

**2. Compensation.**

- (a) The City will compensate CYO for the transportation services described herein on a per diem basis, at the rate of Four Hundred Fifty Dollars (\$450.00) for each day on which such services are provided. CYO shall submit monthly billings to City showing each of the days during the preceding month on which services were provided and the total payment then due. Payment shall be made by City not later than thirty (30) days after the date on which the billing from CYO is received. City shall promptly notify CYO of any questions or objections City may have with regard to any individual billing. It is anticipated that during the 2010-2011 School Year, CYO will provide transportation services for 180 school days, at a total cost to City of \$81,000.00.
- (b) Should City request CYO to provide any additional transportation services beyond those described in Sections 1(b) and 1(d) above, the parties shall first agree upon the rate of compensation for such additional services. The cost of additional services provided during any calendar month shall be billed separately by CYO to City.

**3. Insurance.** CYO, at its own expense, shall procure and maintain, for the duration of this Agreement, insurance policies which satisfy the following requirements:

(a) Type of policies and coverage:

- (1) *General Liability Coverage.* CYO shall maintain commercial general liability insurance in an amount not less than \$5,000,000 per occurrence for bodily injury, personal injury and property damage. If the form of insurance with a general aggregate limit is used, either the general aggregate limit shall apply separately to the services to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.
- (2) *Vehicle Liability Coverage.* CYO shall maintain vehicle liability insurance covering any school bus being operated under this Agreement, in an amount not less than \$5,000,000 combined single limit for each occurrence, for bodily injury and property damage.
- (3) *Workers' Compensation and Employer's Liability Coverage.* CYO shall maintain workers' compensation insurance as required by the State of

California and employer's liability insurance in an amount not less than \$1,000,000 per occurrence, for any and all persons employed by CYO in connection with the performance of services under this Agreement. In the alternative, CYO may rely on a self-insurance program to provide this coverage so long as the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or CYO, if a program of self-insurance is provided, shall waive all rights of subrogation against City for loss arising from services performed by CYO for City.

- (b) Endorsements: Each general liability and vehicle liability insurance policy shall contain, or be endorsed to contain, the following provisions:
- (1) The City, its officers, officials, employees, agents and volunteers are to be covered as insureds as respects: liability arising out of transportation activities performed by or on behalf of CYO; premises owned, occupied or used by CYO; or vehicles owned, leased, hired or borrowed by CYO. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, officials, employees, agents or volunteers.
  - (2) CYO's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by City, its officers, officials, employees, agents or volunteers shall be excess of CYO's insurance and shall not contribute with it.
  - (3) CYO's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  - (4) CYO's insurance coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City.
  - (5) Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City. At City's option, CYO shall demonstrate financial capability for payment of such deductibles or self-insured retentions.
- (c) Acceptability of Insurers. Insurance is to be placed with insurers having a current A.M. Best rating of no less than A:VII, unless otherwise approved by City in writing.
- (d) Verification of coverage. CYO shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required by this Agreement. Certificates of such insurance shall be filed with City before commencement of services by CYO. At the request of City, CYO shall

provide complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by this Agreement.

4. **Independent Contractor.** CYO is, and at all times shall remain, an independent contractor, and not an agent, officer or employee of City. As such independent contractor, neither CYO nor any of its agents or employees shall be entitled to any salary, fringe benefits, worker's compensation, retirement contributions, sick leave, insurance or other benefit or right connected with employment by City, or any compensation other than as provided in this Agreement. CYO shall have no power or authority to bind City to any contract or otherwise to incur any obligation or liability for, or on behalf, or in the name of City.

5. **Licenses.** CYO represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature that are legally required for CYO to perform the transportation services required by this Agreement. CYO shall, at its sole cost and expense, keep and maintain such licenses, permits, qualifications, insurance and approvals in full force and effect at all times during the term of this Agreement.

6. **Indemnity.** CYO shall indemnify, defend, and hold City, its officers, officials, agents, employees and volunteers, harmless from and against any and all claims, demands, causes of action, losses, damages, injuries, expenses and liabilities, direct or indirect, including attorney's fees, arising out of or in any manner relating to the performance by CYO of its services under this Agreement or its failure to comply with any of the its obligations contained in this Agreement, and City shall not be liable for any acts or omissions of CYO.

7. **Termination of Agreement.** This Agreement may be terminated by either party, effective upon written notice, should the other party commit any material default in the performance of its obligations hereunder. This Agreement may also be terminated by either party, for any reason, upon ninety (90) day's prior written notice to the other party. In the event this Agreement is terminated by City through no fault of CYO, CYO shall be compensated for all services performed to the date of termination.

8. **Execution.** Each party warrants that the individuals signing this Agreement on its behalf have the legal power and authority to do so and to bind the party to this Agreement.

Executed this \_\_\_\_ day of \_\_\_\_\_, 2010

CYO TRANSPORTATION SERVICES

CITY OF BRISBANE

By: 

By: \_\_\_\_\_