STATEMENT ON THE SUBJECT:
The City Council will receive an update on the On-Call Transportation Program, which serves senior or disabled West Hollywood residents, and consider approval of Amendment No. 4 to the existing Agreement for Services with Ambiance Transportation, operator, and administrator of the program.

RECOMMENDATIONS:
1) Approve Amendment No. 4 to the Agreement for Services with Ambiance Transportation, extending the Agreement by 18-months.
2) Authorize the City Manager or designee to execute documents incident to the Agreement.

BACKGROUND / ANALYSIS:
At the October 1, 2018, City Council meeting, the Council approved a two-year agreement for services with Ambiance Transportation for the administration and operation of a point-to-point/On-Call Transportation Program to serve the City’s senior or disabled community members. This new program replaced the City’s Taxi Subsidy Program.

The City launched the new On-Call Transportation Program on January 1, 2019. During the first year and a half of service, the City has received very few complaints and lots of positive feedback from community members. The majority of complaints were from community members who were upset because they would no longer receive taxi subsidies from the City or participants who had trouble accessing some of the program’s technology features (e.g., mobile app, web portal, etc.). Staff anticipated a more challenging transition because a long-existing program, which served between 400 and 500 participants each month, was replaced with this completely new program.

A detailed program update follows. The update includes information on the following:

- Program Overview
- Passenger Trips
• Program Costs
• Complaints

Program Overview

The On-Call Transportation Program complements the City's other transportation programs by providing trips to seniors and those with disabilities on short notice, during weekend and evening hours, or to destinations outside the areas served by the City's other transit programs.

Participants can access the program via phone by calling Ambiance's call center and could also take advantage of new technologies to access the program, including a specially designed mobile app and an online web portal.

Each month, participants may purchase:

- $50.00 of fare credits for $8.00; or
- $100.00 of fare credits for $16.00.

Participants may schedule trips 24 hours a day, seven days a week, for travel to and from locations within 10 miles of the City of West Hollywood's borders. Trips are provided using Ambiance vehicles. However, if an Ambiance vehicle is unavailable to respond in less than 20 minutes, the contractor dispatches the trip request to Lyft. Ambiance’s partnership with Lyft allows the service to be available 24/7 and helps keep response times low.

Passenger Trips

The number of passenger trips provided by the On-Call Transportation Program has increased since the program’s launch. In January 2019, the program provided 1,109 trips; by January 2020, the number of passenger trips increased to 2,706. The program has also added 270 active users since January 2019; the program currently has 672 active users.

Due to COVID-19 and related Safer at Home Orders, the number of trips provided by the program decreased between February and April 2020. Program activity began to increase in May and June 2020 as COVID-19 restrictions eased. Staff anticipates that program participation will return to its pre-COVID-19 levels in the coming months.
Figure 1 below shows the number of trips provided each month from January 2019 through June 2020.

An analysis of program data shows an increase in the number of trips provided by the new On-Call Transportation Program compared to the Taxi Subsidy Program. During fiscal year 2018, the Taxi Subsidy Program provided 18,939 trips (this was the last complete fiscal year this service was in operation). During fiscal year 2020, the new program provided 21,972 trips—a 16% increase from FY 2018.

**Program Costs**

Operating costs for the On-Call Transportation Program from July 2019-June 2020 totaled $433,984. Administration expenses, including program staff, software and technology fees, printing, postage, and other office expenses, account for 38% of program costs. Operations expenses accounted for 62% of program costs and included reimbursement to the contractor for program participants' trips.

**Operations Cost Per Passenger Trip**

A critical performance metric for a transit program is the cost per passenger trip. This figure is calculated by dividing program costs by the number of passenger trips provided. The average cost per passenger trip in fiscal year 2020 was $19.75. This metric compares
favorably to the taxi program, which had an average cost per trip of $22.82 during FY 2018.

Complaints and Response

Each month, this City program provides an average of 2,000 trips and receives three complaints. Most complaints received are related to hold times when requesting a trip over the phone and trouble locating a Lyft driver. City and program staff work closely with participants to resolve complaints and address issues with program technology, Ambiance vehicles, and the Lyft service.

Future of Lyft in California

The West Hollywood On-Call Transportation Program utilizes Lyft as a core component of the service as Lyft provides significant capacity and can do on-demand pickups.

With that said, the future of Lyft and Uber in California is uncertain. A ballot proposition will be a part of the November election that both companies have sponsored (Prop 22). The ballot proposition exempts app-based transportation and delivery companies from AB-5, which requires that the companies provide employee benefits to their drivers. Should the ballot measure fail, Uber and Lyft may choose to suspend their service in California.

For this reason, the City and its contractor, Ambiance Transportation, have been working on a contingency plan. As part of this plan, Ambiance has reached out to two regional taxi companies and opened accounts to secure their services. Ambiance is also currently working with its technology partners to integrate the cab companies into their technology platforms.

Should Uber and Lyft suspend service in California, and it becomes necessary to use taxi services to fulfill on-demand rides, the City and contractor intend to integrate the existing ride request and fulfillment process that is used with Lyft to the taxi providers.

CONFORMANCE WITH VISION 2020 AND THE GOALS OF THE WEST HOLLYWOOD GENERAL PLAN:

This item is consistent with the Primary Strategic Goal(s) (PSG) and/or Ongoing Strategic Program(s) (OSP) of:

- OSP-13: Enhance and Expand Disability Access throughout the City.

In addition, this item is compliant with the following goal(s) of the West Hollywood General Plan:

- M-1: Develop a world-class transit system in West Hollywood.
- M-5: Create an environmentally and financially sustainable transportation network that
provides for the mobility and livability needs of West Hollywood residents, businesses and visitors.

**EVALUATION PROCESSES:**

Funding agreements with Metro require that performance indicators be established and measured regularly. Staff works with Metro to establish project goals, collects monthly user data, and monitors performance quantitatively and qualitatively. Performance data allows the City to monitor contractor performance, program participation, and ridership trends. Staff also carefully tracks constituent feedback, and follows up with the contractor as needed.

**ENVIRONMENTAL SUSTAINABILITY AND HEALTH:**

Transit programs promote positive environmental outcomes by reducing traffic flow and emissions and offering a more accessible alternative to the larger transit system. The City's transit programs also promote the ability of seniors and people with disabilities to remain independent and to access other needed services. All of these programs improve environmental and health outcomes.

**COMMUNITY ENGAGEMENT:**

City staff has previously presented information and received feedback from the community about this new program at the Senior Health Fair, Senior Advisory Board, Disabilities Advisory Board, West Hollywood Community Housing Corporation Properties, and Palm View Apartments.

**OFFICE OF PRIMARY RESPONSIBILITY:**

HUMAN SERVICES & RENT STABILIZATION DEPARTMENT / SOCIAL SERVICES DIVISION

**FISCAL IMPACT:**

None.

**ATTACHMENTS:**

ATTACHMENT A: Amendment No. 4 to Agreement for Services with Ambiance Transportation
This Amendment No. 4 (herein “AMENDMENT”) to the Agreement and prior Amendment, is made on this 21st day of September, 2020 amends Agreement #009152 dated October, 01, 2018, by and between the CITY OF WEST HOLLYWOOD, a municipal corporation (referred to herein as “CITY”) and Ambiance Transportation, 13782 Foothill Blvd., Sylmar, CA 91342 (hereinafter referred to as the “CONTRACTOR”).

REQUITALS

A. This AMENDMENT No. 4 shall amend the original Agreement #009152 dated October 1, 2018, between the CITY and CONTRACTOR and the prior Amendment No. 1 dated September 17, 2019 and the prior Amendment No. 2 dated March 20, 2020 and the prior Amendment No. 3 dated April 6, 2020 (hereinafter referred to as the “AGREEMENTS”).

B. The parties now desire to amend the Agreement in order to extend the time of performance by eighteen (18) additional months.

C. CITY and CONTRACTOR desire to amend the AGREEMENTS to increase the “not-to-exceed” amount of $945,000 by an additional $835,571, for a total of $1,780,571 to cover the costs of providing additional services.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements set forth below, CITY and CONTRACTOR agree as follows:

1. Add Section 10.4, Code of Ethics to read as follows:

   CODE OF ETHICS. CONTRACTOR hereby affirms that it will abide by the provisions of the West Hollywood Code of Ethics throughout the term of this Agreement. A copy of the Code of Ethics is attached as Exhibit E.

2. Amend Article C, Section 2, TERM OF CONTRACT to read as follows:

   The term of this agreement shall commence upon execution by both parties and shall expire on June 30, 2022 unless extended in writing in advance by both parties.

3. Amend Article C, Section 4, Payment for Services, to read as follows:

   The CONTRACTOR shall be compensated in an amount not to exceed $1,780,571 for services provided pursuant to this Agreement as described in “Exhibit A.” Compensation shall under no circumstances be increased except by written amendment of this Agreement. The CONTRACTOR shall be paid within forty-five (45) days of presentation of an invoice to the CITY for services.
performed to the CITY’s satisfaction. The CONTRACTOR shall submit invoices monthly describing the services performed, the date services were performed, a description of reimbursable costs, and any other information requested by the CITY.

4. Replace existing Exhibit C in its entirety with the attached Exhibit C, defining the program’s budget.

Except as herein amended, in all other respects the Agreements are reaffirmed and are in full force and effect.

Executed on this 21st day of September, 2020.

CONTRACTOR: Ambiance Transportation

[Signature]
Ryan Ferreira, Chief Executive Officer

CITY OF WEST HOLLYWOOD:

[Signature]
Cori Planck, Acting Department Director

Paul Arevalo, City Manager

ATTEST:

[Signature]
Yvonne Quarker, City Clerk
# CITY OF WEST HOLLYWOOD

## AMENDMENT No. 4 TO AGREEMENT FOR SERVICES

### EXHIBIT C

**BUDGET**

West Hollywood-On-Call Transportation Services

Contractor: Ambiance Transportation

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<td><em>(less program revenue)</em></td>
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The purpose of this Code of Ethics ("Code of Ethics") is to define the ethical standards for CONTRACTORS providing services to the CITY of West Hollywood. This Code of Ethics consists of policies and implementing rules intended to advance the CITY’s goals of providing professional services to the public. All CONTRACTORS hired by the CITY shall pledge in writing to abide by the CITY’s Code of Ethics.

**Policy 1. CONTRACTORS shall be committed to the CITY.**

**Rules:**

1.1 CONTRACTOR will serve the CITY with integrity, competence, independence, objectivity, and professionalism.

1.2 CONTRACTOR will mutually establish with the CITY realistic expectations of the benefits and the results of the services.

1.3 CONTRACTOR will only accept assignments for which CONTRACTOR possesses the requisite experience and competence to perform and will only assign staff or engage colleagues with the knowledge and expertise needed to serve the CITY effectively.

1.4 Before accepting any engagement, CONTRACTOR will ensure that CONTRACTOR has worked with the CITY to establish a mutual understanding of the objectives, scope, work plan, and fee arrangements.

1.5 CONTRACTOR will treat appropriately all confidential CITY information that is not public knowledge, take reasonable steps to prevent it from access by unauthorized people, and will not take advantage of proprietary or privileged information, either for use by CONTRACTOR or any third party, without the CITY’s express written permission.

1.6 CONTRACTOR will avoid conflicts of interest or the appearance of such and will immediately disclose to the CITY circumstances or interests that CONTRACTOR believe may influence the judgment or objectivity of CONTRACTOR.

1.7 CONTRACTOR will offer to withdraw from a consulting assignment when CONTRACTOR believes the objectivity or integrity of the CONTRACTOR may be impaired.
Policy 2. CONTRACTORS shall be committed to fiscal integrity.

Rules:

2.1 CONTRACTOR will agree in advance with the CITY on the basis for fees and expenses and will charge fees that are reasonable and commensurate with the services delivered and the responsibility accepted.

2.2 CONTRACTOR will not accept commissions, remuneration, or other benefits from a third party in connection with the recommendations to the CITY and will disclose in advance any financial interests that form any part of recommendations to the CITY.

Policy 3. CONTRACTORS shall be committed to the public and the profession.

Rules:

3.1 CONTRACTOR will report to the CITY Manager any violation of this Code of Ethics, dangerous behavior, or illegal activities witnessed by the CONTRACTOR during the performance of the services for the CITY.

3.2 CONTRACTOR will respect the rights of consulting colleagues and consulting firms and will not use their proprietary information or methodologies without permission.

3.3 CONTRACTOR will represent the profession with integrity and professionalism in relations with clients, colleagues, and the general public.

3.4 CONTRACTOR will not advertise services in a deceptive manner or misrepresent or denigrate individual consulting practitioners, consulting firms, or the consulting profession.

3.5 CONTRACTOR will promote adherence to the Code of Ethics by other member CONTRACTORs working on CONTRACTOR’s behalf.

Approved by City Council Minute Order on February 3, 2020