



SECTION 3

Cost Proposal



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3. Cost Proposal

The Cost proposal is a presentation of the proposer's total offering price, including the estimated cost for providing each component of the required goods or services and the completion of the Cost Proposal Form containing "at-risk" cost factors must be included to be considered responsive.

Please refer to our **Cost Proposal** found on the subsequent pages of this proposal section.

Subcontractors

First Transit is planning to continue to utilize a subcontractor for janitorial services, American Facility Services, as over the new contract term. We have budgeted \$6,900 for these services in the first year.

Assumptions

If it is Escambia County's desire that the contractor pay for all expenses and then charge back the County as a pass-thru expense, First Transit will add a 4.0% overhead fee for all of First Transit-provided services (i.e. medical insurance, vehicle insurance, worker's compensation).

First Transit assumes that Escambia County will provide all fuel for the ECAT service.

First Transit works closely with Escambia County to develop marketing promotions that occasionally include free or reduced fares, First Transit does not assume responsibility for farebox deviations due to these campaigns or any reductions in service as requested by the County.

Escambia County Cost Proposal Form for ECAT Proposals
 PD 16-17.039 ECAT Management Contract

Year 1 Amount	Year 2 Amount	Year 3 Amount
\$425,597	\$435,565	\$445,806

1 Proposed Base, Fixed Management Fee

Amount at Risk for the Following Performance Measures reported Quarterly

	MEASURE	REQUIREMENT	PENALTY	Year 1 Amount Deducted	Year 2 Amount Deducted	Year 3 Amount Deducted
2	Actual Service Hours*	99.6% of Schedule Service Hours	If LESS than 99%	\$1,000	\$1,000	\$1,000
3	Operator, Service and Mechanic Overtime Pay	Less than 6%	If EXCEEDS 10%	\$1,000	\$1,000	\$1,000
4	Customer Satisfaction	Avg. 4/5 cumulative on Survey approved by ECAT	If LESS than 4/5	\$1,000	\$1,000	\$1,000
5	Customer Complaint Tracking and Response	Reported quarterly; response within 2 business days	If EXCEEDS (2) days on (4) occasions in the reporting cycle	\$1,000	\$1,000	\$1,000
6	Fare box revenue	100% of previous year collections	100% of shortfall will be remitted to the County within 90 days of end of fiscal year	N/A	N/A	N/A

Deductions 2 - 5 revised through negotiations to \$2,500.00

Total At-Risk (Sum of lines 2, 3, 4, 5, 6)


All disincentives will be netted and billed against all incentives and management fees along with the following month's recurring management fee invoice.

Incentive Amount for the Following Performance Measures reported Annually

	TYPE	GOAL	MEASURE	Year 1 * Sharing %	Year 2 Sharing %	Year 3 Sharing %
6	Advertising Revenue	\$310,000	Exceeded	20%	20%	20%
7	Gas Tax Reliance	Current 100%; Reduce 5% each year	Reduced 5%	10%	10%	10%

* Sharing % will be the share of the exceeded goal to be given as incentive to the Contractor Annually.
 If an incentive is paid; at least 50% of the bonus will be equally distributed to the Contractor's employees serving Escambia County.
 Annually is the FY October to September

In addition to the Base Fixed Management Fee, First Transit applies a 4% Overhead fee (see next page) on expenses and management fee. If awarded both ECAT Management and Paratransit, this Overhead fee would be reduced to 3%.

Authorized Signature: 
 Date: April 27, 2017
 Title: Bradley A. Thomas, President

Escambia County, Florida
Fixed Route Services (PD 16-17.039)
May 1, 2017

<u>Annual Expenses</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>5-Year Total</u>
Driver Wages	\$2,840,640	\$2,925,044	\$3,008,426	\$3,076,620	\$3,145,624	\$14,996,355
Driver Taxes and Fringe	\$1,791,677	\$1,872,708	\$1,956,661	\$2,040,410	\$2,127,817	9,789,273
Maintenance Wages	\$1,080,527	\$1,100,060	\$1,119,947	\$1,140,193	\$1,160,806	5,601,533
Maintenance Taxes and Fringe	\$579,080	\$603,698	\$629,448	\$656,386	\$684,567	3,153,179
Administrative Wages	\$762,993	\$777,229	\$791,731	\$806,505	\$821,556	3,960,014
Administrative Taxes and Fringe	\$268,596	\$279,330	\$290,542	\$302,256	\$314,496	1,455,219
Fuel	\$0	\$0	\$0	\$0	\$0	-
Vehicle Insurance	\$279,756	\$285,198	\$290,618	\$296,222	\$302,018	1,453,813
Maintenance Parts and Supplies	\$538,177	\$602,189	\$673,523	\$743,377	\$804,334	3,361,601
Maintenance Tools and Equipment	\$40,804	\$45,084	\$49,838	\$54,486	\$58,547	248,759
Vehicle Cleaning	\$20,485	\$20,884	\$21,272	\$21,666	\$22,066	106,373
Radio Communications	\$0	\$0	\$0	\$0	\$0	-
Safety and Training	\$13,500	\$13,838	\$14,183	\$14,538	\$14,901	70,960
Recruiting and Hiring	\$11,935	\$11,954	\$11,679	\$11,677	\$11,667	58,911
Facility Lease	\$0	\$0	\$0	\$0	\$0	-
Utilities	\$107,100	\$109,778	\$112,522	\$115,335	\$118,218	562,953
Telephone	\$86,100	\$88,253	\$90,459	\$92,720	\$95,038	452,570
Scheduling Software	\$0	\$0	\$0	\$0	\$0	-
Startup Expenses	\$0	\$0	\$0	\$0	\$0	-
Misc Admin Expenses	\$150,422	\$154,087	\$157,844	\$160,373	\$164,320	787,046
Marketing Plan	\$160,000	\$164,000	\$168,100	\$172,303	\$176,610	841,013
Printing of Schedules	<u>\$54,000</u>	<u>\$55,350</u>	<u>\$56,734</u>	<u>\$58,152</u>	<u>\$59,606</u>	<u>283,842</u>
Total Contract Expense	\$8,785,792	\$9,108,682	\$9,443,528	\$9,763,220	\$10,082,191	\$47,183,412

The expenses listed above are estimates based on the current service. First Transit will continue the current practice of invoicing ECAT for the actual cost of operating the service and will add a 4.0% overhead fee.