

Change Order #1 – Revised Scope
Summary of Additional Items/Hours Requested to Finalize the Market Study

M E M O R A N D U M

To: Ashley Lucas, Lake County Division of Transportation

From: Patti Monahan, Nelson\Nygaard

Date: December 19, 2017

Subject: Revised Paratransit Market Study Scope of Work

Ashley,

Please find the following proposed scope of work for the remaining work on the paratransit study.

Let me know if you have any questions.

Patti

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Paratransit Market Study Scope of Work

The following scope of work to execute the remainder of the Paratransit Market Study, from November 2017 through June 2018. These tasks will be carried out by the team of Nelson\Nygaard Consulting Associates and its subcontractor, RLS & Associates, Inc. (the consultant team) with support from Lake County staff as noted.

TASK 1 PROJECT INITIATION AND ONGOING PROJECT MANAGEMENT

1.3 Ongoing Project Management

As the consultant team's project manager, Patti Monahan will have day-to-day responsibility for the project. Ongoing project management tasks include oversight of Nelson/Nygaard project staff, management of the contract between Nelson/Nygaard and RLS & Associates, periodic calls with LCDOT staff to discuss project activities, preparation of monthly invoices and progress reports, and budget/schedule adjustments as needed.

Current Status: Project management will continue through the completion of the project.

TASK 2 COLLECT AND ASSESS DATA; PREPARE EXISTING CONDITIONS REPORT

2.6 Prepare and Present Task 2 Technical Memorandum, Analysis of Existing Conditions

Reviewers will provide a unified set of tracked comments and requested revisions to the consultant team. The consultant team will then incorporate these into the final Task 2 Memorandum. As previously mentioned, this Task 2 Technical memorandum could then be posted to a project website or webpage.

Current Status: The draft Task 2 Tech Memo was submitted to LCDOT and presented to the PAC in June 2016. Final revisions to incorporate comments from PAC members still need to be made.

TASK 2 DELIVERABLES:

- Final Task 2 Technical Memorandum: Analysis of Existing Conditions

TASK 3: PREPARATION OF ALTERNATIVE AND INITIAL RECOMMENDATIONS

3.4 Prepare and Present Task 3 Technical Memorandum: Identification and Evaluation of Alternatives and Preliminary Recommendations

In this task, the consultant will prepare a technical memorandum that documents the best practices and/or innovative ideas considered and the preliminary and shorted list of potential options and the analysis that led to the team's short-list decisions and ultimately to the preliminary set of recommendations.

As was the case with the Task 2 Technical Memorandum, the consultant team will send the draft Task 3 Technical Memorandum first to the PMT for comment and then will send it, as revised if needed, to the PAC. This will be followed by an on-site presentation/workshop for the Lake County DOT staff and

the PAC, and a presentation to LCCTSC. It is suggested that at least a half-day be reserved for the PAC event, as the workshop component will be used to delve into, reach a consensus on, and ultimately prioritize the recommended strategies.

For this meeting, the consultant team will prepare specific materials, including the use of graphics and summary information to ensure that the attendees can easily understand how each potential alternative strategy was selected, assessed and weighed, and can fully understand both how it would lead to projected benefits and the potential obstacles to its implementation. These workshop materials will be prepared and sent to the Lake County DOT staff in advance of the meeting for its review.

After the event, the consultant team will again accept comments from the PMT, PAC, LCCTSC, and the community in the same manner as before and incorporate that feedback as well as the results of the workshop in the final Task 3 Technical Memorandum. As previously mentioned, this Task 3 Technical memorandum could then be posted to a project website or webpage.

Current Status: The draft Task 3 tech memo was submitted in August 2017. Several rounds of revisions to incorporate comments from the PMT have been made. Further revision will be required after presentation of the memo to the PAC in January 2018.

TASK 3 DELIVERABLES:

- Task 3 Technical Memorandum: Development and Evaluation of Alternatives; Identification of Preliminary Recommendations
- Community meetings material and summary
- PAC Presentation/Workshop materials and summary
- LCCTSC Presentation
- Minutes of PAC workshop

TASK 4: PREPARE A BUSINESS PLAN FOR EACH PREFERRED STRATEGY

In Task 4, the consultant team will prepare a Business Plan for each preferred strategy (up to three strategies). Each Business Plan will include a Financial Plan, a Marketing Plan, and an Implementation Plan. Each of these plans is described in the subtasks below.

4.1 Develop a Financial Plan

The Financial Plan will consist of the following components:

- **Administrative Cost** - To include management, training/customer relations, quality control, and staff time devoted to administrative responsibilities, including management and oversight of new services or mobility management programs. Administrative costs typically range between 15 and 20 percent of total system costs.
- **Operating Cost** - Will be based on historic ridership, required funding, cost data of existing services, trends and recommended service levels.
- **Capital Cost** - Will primarily consist of vehicle replacement and expansion needs and other identified capital expenses such as software and hardware.
- **Funding Sources and Cost Sharing Strategies** – To include federal (FTA), regional (RTA/Pace), county funds and funds from cities and townships, as well as private sources (e.g., foundations). The first priority will be to identify sustainable funding streams for recommended service strategies. When developing the financial plan, the consultant will also identify and evaluate cost allocation strategies for each strategy. These will be based in part

on the current cost allocation methods practiced by Pace and other methods. For each, the consultant team will identify the impact on each funding source.

As part of the financial plan the consultant will also closely examine fare revenues and fare policy. Key considerations include:

- Should program service include flat fares or distance-based fares?
- Should a universal fare system among the current Dial-A-Ride systems be implemented?
- Should multi-ride discounts be universally applied?
- How do donations from seniors sponsored by Title III or similar funding enter into the equation?
- Is the farebox recovery ratio that Pace is required to achieve at an “acceptable” level for the coordinated system as a whole?
- Should customers have to pay an additional fare when transferring to a neighboring system?
- Is there a desire to have a cashless fare system, such as a scrip-based or card-based system or centralized electronic fare account, which requires no paper or cards at all? And will all users have access to cashless fare media?

For any strategies that include new fare revenues or third-party sponsorship, the consultant will base fares on policy considerations; for example, should a fare level be designed to provide affordable mobility, and sponsorship rates on the recovery of administrative and operating expenses. If appropriate, the consultant team may compute a few alternative fare scenarios, and compute alternatives analyses for each fare scenario. Consideration of existing fare structures and policies must be addressed in this analysis in order to maintain consumer support for the new organization. For third party sponsorship, the consultant will recommend either per trip rates for purchasing service or a specific method for cost allocation and accompanying procedures.

These and other issues will be explored to ensure that recommended fare policy and structure are equitable, easy to understand from the passengers’ and drivers’ perspective, and maximize fare revenues. The options the consultant will explore could include a series of “fare zones” to accommodate local and long distance trips or other alternatives to address fare equity.

4.2 Develop Marketing Plan

The consultant will develop a marketing plan for each strategy (up to three). The goal of the plan will be to increase awareness and build support for -- and understanding of -- the service, program or strategy among all the stakeholders in the County – sponsoring municipalities, human service agencies, advocacy organizations, community groups, and of course, its residents and prospective users/customers. The plan will consist of several elements and technique to market the service and enhance public information and will specify how various tools can be best addressed through Lake County, the PAC/LCCSTC, sponsoring organizations, and other stakeholders.

4.3 Develop Implementation Plan

Next, the consultant team will prepare an implementation plan for each strategy (up to three). This plan will identify the various action steps, with a timeline provided. The consultant will prepare a spreadsheet showing each implementation task, estimated level of effort and phasing, as well as the lead agency or organizations involved in each step. Also included in the implementation plan will be any required legal, personnel and/or labor relations actions in order to implement the recommendations. The plan will also identify a means for coordinating planning activities with existing plans and ongoing planning activities.

Elements of the implementation plan will be categorized into three groups (1) activities occurring prior to implementation; (2) activities occurring during implementation; and (3) activities immediately following implementation.

4.4 Prepare and Present Task 4 Technical Memorandum: Business Plan

The three elements of the Business Plan will be compiled into the Task 4 Technical Memorandum that is submitted to the PMT (and Lake County DOT staff) and then to the PAC for review. After a review period, the consultant will present the implementation plan to Lake County DOT staff and the PAC. As with previous deliverables, feedback will be incorporated into the final version of the Business Plan.

Current Status: Task 4 will begin following the PAC and community meetings in January 2018.

TASK 4 DELIVERABLES:

- Task 4 Technical Memorandum: Business Plan
- PAC Presentation materials and summary

TASK 5: DRAFT FINAL PLAN AND FINAL PLAN

At the conclusion of Task 4, the consultant will compile all previous technical memoranda into a Draft Final Report, prepare an Executive Summary, and submit the Draft Final Report to Lake County DOT staff first and then the PAC for review and requested changes. At this stage, the only element of the Draft Final Plan not yet reviewed will be the Executive Summary, so a “final” presentation is probably unnecessary.

The consultant team will share the Draft Plan with the community at the third set of community meetings, with presentations to the PAC and LCCTSC. The draft plan and community input will be presented to the County Board. Feedback and suggested revisions will be incorporated into the Final Report, which will be submitted to Lake County DOT and the PAC in electronic format – PDF, for posting to the project website.

Current Status: Task 5 will begin in March 2018.

TASK 5 DELIVERABLES:

- Draft Final Plan
- Community Meeting material and summary
- Final Plan
- PAC, LCCTSC, and County Board presentations and summary

SUMMARY OF MEETINGS AND DELIVERABLES

The consultant team will participate in several on-site trips throughout the life of the project in addition to the kickoff meeting. Where appropriate, the consultant will conduct in-person PMT meetings during these trips.

Figure 1 Schedule of Project Meetings and Deliverables

Task		Meetings	Deliverables	Month (Tentative)
1	Project Initiation and Ongoing Project Management	<ul style="list-style-type: none"> ▪ Kickoff ▪ PAC #1 ▪ Community Meetings #1 	<ul style="list-style-type: none"> ▪ List of report/data needs ▪ Kickoff meeting minutes ▪ PAC meeting invitation letter (if needed) ▪ PAC meeting material and summary ▪ Stakeholder Engagement/Outreach Plan ▪ Community Meetings #1 material and summary 	January 2017
2	Collect and Assess Data; Prepare Existing Conditions Report	<ul style="list-style-type: none"> ▪ Key Stakeholder Interviews ▪ Community Focus Groups 	<ul style="list-style-type: none"> ▪ Focus Group meeting materials and summary 	March 2017
		<ul style="list-style-type: none"> ▪ PAC #2 	<ul style="list-style-type: none"> ▪ Draft and Final Task 2 Technical Memorandum: Analysis of Existing Conditions ▪ PAC Presentation materials and summary 	June 2017

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Task		Meetings	Deliverables	Month (Tentative)
3	Preparation of Alternative and Initial Recommendations	<ul style="list-style-type: none"> Community Meetings #2 PAC #3 	<ul style="list-style-type: none"> Task 3 Technical Memorandum: Development and Evaluation of Alternatives; Identification of Preliminary Recommendations Community meetings material and summary PAC Presentation/Workshop materials and summary Minutes of workshop 	<p>Tech memo: August-November 2017</p> <p>Community Meetings and PAC meeting-January 2018</p>
4	Prepare a Business Plan for Each Preferred Strategy	<ul style="list-style-type: none"> PAC #4 	<ul style="list-style-type: none"> Task 4 Technical Memorandum: Business Plan PAC Presentation materials and summary 	<p>Tech memo: January-March 2018</p> <p>PAC meeting: March/April 2018</p>
5	Draft Final Plan and Final Plan	<ul style="list-style-type: none"> Community Meetings #3 Board Presentation 	<ul style="list-style-type: none"> Draft Final Plan Community Meeting material and summary Final Plan County Board presentation and summary 	<p>May-June 2018</p>

BUDGET

The following budget details the budget for the Nelson\Nygaard team to complete the identified work tasks.

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			Nelson\Nygaard Labor Costs						RLS Labor Costs								Total Direct Expenses	Total Costs
			Patricia Monahan	Associate 2	Associate 1	Kevin Ottem			Laura Brown	Zack Kincade								
			Principal 3	Associate 2	Associate 1	Creative Services			NN Labor	Senior Associate			Associate	RLS Labor				
	Total Billing Rate		\$180.00	\$95.00	\$80.00	\$138.00	Hours	Cost		\$95.00	\$46.00	Hours	Cost	Total Labor Hours	Total Labor Costs			
Task	Description																	
1	PROJECT INITIATION AND ONGOING PROJECT MANAGEMENT																	
1.1	Kick off Meeting and PAC and LCCTSC Presentations						0	\$0				0	\$0	0	\$0		\$0	
1.2	Community Meetings #1						0	\$0				0	\$0	0	\$0		\$0	
1.3	Ongoing Project Management		16				16	\$2,880		16		16	\$1,520	32	\$4,400		\$4,400	
Task Total			16	0	0	0	16	\$2,880		16	0	16	\$1,520	32	\$4,400		\$4,400	
2	COLLECT AND ASSESS DATA; PREPARE EXISTING CONDITIONS REPORT																	
2.1	Collect and Review Existing Plans, Studies and Reports; Collect Service and Demographic Data						0	\$0				0	\$0	0	\$0		\$0	
2.2	Prepare Initial Inventory of Services and Update Information via Provider Interviews						0	\$0				0	\$0	0	\$0		\$0	
2.3	Conduct Stakeholder Interviews						0	\$0				0	\$0	0	\$0		\$0	
2.4	Conduct Community Focus Groups						0	\$0				0	\$0	0	\$0		\$0	
2.5	Assess Existing Services and Needs; Identify Shortcomings and Opportunities						0	\$0				0	\$0	0	\$0		\$0	
2.6	Prepare Task 2 Technical Memorandum, Analysis of Existing Conditions; PAC Presentation						0	\$0				0	\$0	0	\$0		\$0	
2.7	Revise Task 2 Tech Memo (Tech Memo #1, Existing Conditions Report)		8	24	8		40	\$4,360										
Task Total			8	24	8	0	40	\$4,360		0	0	0	\$0	40	\$4,360		\$4,360	
3	PREPARATION OF ALTERNATIVE AND INITIAL RECOMMENDATIONS																	
3.1	Identify National/Regional Best Practices						0	\$0				0	\$0	0	\$0		\$0	
3.2	Develop, Screen and Evaluate Alternatives						0	\$0				0	\$0	0	\$0		\$0	
3.3	Community Meetings #2		80	40		8	128	\$19,304		48	8	56	\$4,928	184	\$24,232		\$24,232	
3.4	Prepare Task 3 Technical Memorandum: Eval of Alts & Init Recommendations; PAC and LCCTSC Presentations											0	\$0	0	\$0		\$0	
3.5	Revise Task 3 Tech Memo (Tech Memo #2, Evaluation of Service Improvement Strategies)		24	16			40	\$5,840										
	Community Survey #2 (for those who can't attend January meetings)		4	16			20	\$2,240										
Task Total			108	72	0	8	188	\$27,384		48	8	56	\$4,928	244	\$32,312		\$32,312	
4	PREPARE A BUSINESS PLAN FOR EACH PREFERRED STRATEGY																	
4.1	Develop a Financial Plan		24				24	\$4,320		54		54	\$5,130	78	\$9,450		\$9,450	
4.2	Develop Marketing Plan		8	8			16	\$2,200		24	8	32	\$2,648	48	\$4,848		\$4,848	
4.3	Develop Implementation Plan		32	24	24		80	\$9,960		48	16	64	\$5,296	144	\$15,256		\$15,256	
4.4	Prepare Task 4 Technical Memorandum: Business Plan; PAC Presentation		48	24	8	8	88	\$12,664		54	8	62	\$5,498	150	\$18,162		\$18,162	
Task Total			112	56	32	8	208	\$29,144		180	32	212	\$18,572	420	\$47,716		\$47,716	
5	DRAFT FINAL PLAN AND FINAL PLAN																	
5.1	Draft Plan		8	8		16	32	\$4,408		18		18	\$1,710	50	\$6,118		\$6,118	
5.2	Community Meetings #3 and PAC, LCCTSC, and County Board Presentations		60	16			76	\$12,320		32		32	\$3,040	108	\$15,360		\$15,360	
5.3	Final Plan		8	16		8	32	\$4,064		4		4	\$380	36	\$4,444		\$4,444	
Task Total			76	40	0	24	140	\$20,792		54	0	54	\$5,130	194	\$25,922		\$25,922	
TOTAL HOURS			320	192	40	40	592			298	40	338		930				
TOTAL COSTS			\$57,600	\$18,240	\$3,200	\$5,520		\$84,560		\$28,310	\$1,840		\$30,150		\$114,710	\$14,200	\$128,910	
	Total Direct Expenses (For Contracts)								\$10,350							\$3,850		
	Total Cost (For Contracts)								\$94,910							\$34,000		

	NN Labor	NN Expenses	RLS Labor	RLS Expenses	Total
New Total Remaining Work	\$84,560	\$10,350	\$30,150	\$3,850	\$128,910
Balance	-\$6,100	\$11,218	\$15,537	\$2,561	\$23,216
Additional budget	\$90,660	-\$868	\$14,613	\$1,289	\$105,694
Original budget					\$142,066
Additional					\$105,694
New project budget					\$247,760