

Date: April 27, 2016

To: Board of Directors

From: Neil McFarlane *Neil McFarlane*

Subject: RESOLUTION 16-04-23 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS FOR ACCESSIBLE TRANSPORTATION PROGRAM SERVICES

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (“Board”) adopt a resolution authorizing the General Manager to execute the following contracts for TriMet Accessible Transportation Program (ATP) services:

- LIFT Transportation Services
- LIFT Central Dispatch Services
- LIFT Vehicle Maintenance Services

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board authorization is required for all goods and services contracts obligating TriMet to pay in excess of \$500,000.

4. Type of Action:

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

The Americans with Disabilities Act (“ADA”) of 1990 requires public transit agencies to provide paratransit service, complementary to fixed route service, to all who are eligible. A person is eligible for complementary paratransit service if they are unable to use fixed route service because of a disability. TriMet LIFT provides demand responsive, origin to destination paratransit service meeting or exceeding the standards established by the ADA. Annual LIFT ridership is approximately one million.

TriMet contracts with third parties to provide LIFT services. The following contracts will expire June 30, 2016:

- LIFT Transportation Services
- LIFT Central Dispatch Services
- LIFT Vehicle Maintenance Services

During the past six months, staff has conducted a comprehensive process to solicit proposals from the paratransit industry for new LIFT contracts, each with a 2-year base contract term, and up to 4 one-year contract options.

LIFT Transportation operations are organized by geographic regions, i.e., Region 1 (Nela Street facility), Region 2 (Merlo facility), and Region 3 (Powell facility), requiring approximately 400 vehicle operators and 35 support staff to deliver all assigned LIFT rides. This is a hybrid unit price/cost reimbursement contract with a fixed, unit price per vehicle service hour, and a not to exceed monthly amount for management and administration based on staffing plans, including fixed pricing for overhead, profit, and liability insurance coverage for LIFT operations.

The LIFT Central Dispatch contractor is responsible for reservations, scheduling and dispatching all LIFT rides. These services require approximately 45 personnel. This is a cost reimbursement contract, based on staffing plans for dispatch services, with fixed pricing for overhead and profit.

The LIFT Vehicle Maintenance contractor is responsible for all LIFT vehicles (currently 268) operating within the LIFT service area. TriMet provides the LIFT vehicles, maintenance facility, utilities, shop equipment, fuel, lubricants, and tires. The contractor is responsible for providing scheduled and unscheduled mechanical repairs, parts and on-road response in order to keep LIFT buses available for service delivery. These services require approximately 20 personnel. This is a hybrid unit price/cost reimbursement contract with a fixed, unit price per vehicle mile and a not to exceed monthly amount for management and administration based on staffing plans, with fixed pricing for overhead and profit.

6. Procurement Process

On November 24, 2015, TriMet issued a separate Request for Proposals (“RFP”) for each of the respective LIFT Transportation, LIFT Central Dispatch, and LIFT Maintenance services contracts. Proposals were received on the due date of January 28, 2016 from the following companies:

Procurement	Companies Submitting Proposals
LIFT Transportation Services	First Transit, Inc.* MV Public Transportation, Inc.
LIFT Central Dispatch Services	First Transit, Inc.* Medical Transportation Management, Inc. MV Public Transportation, Inc. Paratransit Services
LIFT Vehicle Maintenance Services	First Transit, Inc. MV Public Transportation, Inc. Penske Truck Leasing, Inc.*

* denotes incumbent contractors

The current LIFT Transportation contractor, First Transit, Inc. has collective bargaining agreements (“CBAs”) with ATU-757 for its LIFT Regions 1, 2, and 3 employees. Both LIFT Transportation proposers (First Transit, Inc. and MV Public Transportation, Inc.) committed to negotiate successor CBAs during the term of the new LIFT Transportation services contract with ATU-757. All non-incumbent proposers for all three LIFT services contracts stated their intent to hire LIFT employees of the incumbent contractors, as much as practicable.

TriMet formed a Source Evaluation Committee (“SEC”) comprised of staff from TriMet’s Operations and Finance divisions and Diversity and Transit Equity departments to review the proposals. Proposals were evaluated according to technical and price criteria, weighted 60%/40%, as shown on Attachment A to this Board memo. The SEC determined that all proposals received were in the competitive range with the exception of one, for the LIFT Central Dispatch Services. The SEC determined that the proposal submitted by Paratransit Services did not demonstrate the technical capability to perform the LIFT Dispatch services required by the RFP.

The SEC conducted interviews with proposers during the week of March 14, 2016. On March 29, 2016, TriMet requested proposers to submit their Best and Final Offer (“BAFO”), which were received April 5, 2016.

Final evaluation of the proposals by the SEC, and BAFO pricing, resulted in the following contract award recommendations, shown below in **bold** type:

Proposal	Technical Score (maximum = 60)	Price (6 yrs.)	Price Score (maximum = 40)	Total Score
LIFT Transportation Services				
First Transit, Inc.	53.60	\$ 150,985,543	40.00	93.60
MV Public Transportation, Inc.	50.80	\$ 158,017,553	38.22	89.02
LIFT Central Dispatch Services				
First Transit, Inc.	47.80	\$ 13,515,053	40.00	87.80
Medical Transportation Mgt., Inc.	54.20	\$ 16,620,583	32.53	86.73
MV Public Transportation, Inc.	51.40	\$ 15,137,390	35.71	87.11
LIFT Vehicle Maintenance Services				
First Transit, Inc.	48.40	\$ 15,628,851	39.04	87.44
MV Public Transportation, Inc.	52.00	\$ 17,333,756	35.20	87.20
Penske Truck Leasing, Inc.	52.20	\$ 15,255,516	40.00	92.20

For each of the three contracts, proposed pricing as shown above is the sum of the total base contract (contract years 1 and 2) and all option years (contract years 3 through 6). Actual payments will be based on actual service hours, service miles, or required staffing needs, pertaining to the respective contracts, which may change during the contract periods from estimated requirements included in the RFPs. In addition, all three contracts provide for pricing adjustments in successive years, based on the Portland-Salem Consumer Price Index (“CPI”).

The amounts of the recommended contract awards are consistent with current TriMet budgeting for these services, as shown below:

Procurement	New Contracts Year 1 Amounts (FY2017)	FY2016 Budget Amounts (prior contracts)	FY2017 Budget Amounts
LIFT Transportation Services First Transit, Inc	\$ 23,921,325	\$ 22,670,148	\$ 23,643,521
LIFT Central Dispatch Services First Transit, Inc	\$ 2,144,422	\$ 2,256,615	\$ 2,324,314
LIFT Vehicle Maintenance Services Penske Truck Leasing, Inc.	\$ 2,417,948	\$ 2,490,225	\$ 2,564,932
Totals	\$ 28,483,695	\$ 27,416,988	\$ 28,532,767

Staff requests by this Resolution that the Board authorize the General Manager to execute the two-year base term for these contracts, and at the General Manager's discretion, future modifications to these contracts, for up to four option years (six years total). The contract awards and estimated total contract amounts are shown in bold type in the table earlier in this section (plus the one-time transition/startup amount for the LIFT Central Dispatch contract), with total contract costs to be based on the agency's actual requirements, and the annual CPI adjustment provisions of the contracts.

7. Diversity

All of the proposers for these services are established paratransit services providers, with numerous contracts, nationally or regionally. All submitted workforce diversity information as required by the RFPs, and have diverse workforces. Most employees of the proposers are the vehicle operators, dispatchers, and mechanics of the local paratransit operations. Because these are personnel services contracts, DBE subcontracting opportunities are limited. Proposers identified furnishing office supplies and operator uniforms, and mobile washing of LIFT vehicles, as DBE subcontracting opportunities.

8. Financial/Budget Impact

As indicated in Section 6 above, the amounts of the recommended contract awards are consistent with current TriMet budgeting for LIFT services. These contract expenses are all budgeted under the annual operating budget of TriMet's Accessible Transportation Programs (ATP) department.

9. Impact if Not Approved

Current contracts for LIFT and MTP services expire June 30, 2016. Continuing operation of the LIFT program requires the services provided by the LIFT contractors. The Board could opt not to approve the contracts, or direct staff to conduct new solicitations. However, staff believes that a highly competitive solicitation process has been conducted, and that new contract solicitations will provide no further advantage in cost or quality. Therefore, staff recommends that the Board adopt the Resolution awarding the LIFT services contracts.

**RESOLUTION 16-04-23
BOARD MEMORANDUM
ATTACHMENT A
Proposals Evaluation Criteria**

Procurement	Evaluation Criteria	Maximum Possible Points	%-age Weight
LIFT Transportation Services	Technical Proposal Section 1: Qualifications of Firm & Staff <ul style="list-style-type: none"> Qualifications of Firm; References; Past Performance; Accounting; Qualifications of Staff; Workforce Diversity 	20	60%
	Technical Proposal Section 2: Work Plan <ul style="list-style-type: none"> Staffing Plan; Recruitment, Hiring & Retention; Compensation System; Training Programs; Program Supervision; Customer Service; Vehicle Cleaning; Flexibility & Capacity; Service & Performance Improvements; Drug & Alcohol Program; Data Collection; Incorporating Existing Employees; DBE Subcontractor Utilization 	40	
	Price Proposal	40	40%
LIFT Central Dispatch Services	Technical Proposal Section 1: Qualifications of Firm & Staff <ul style="list-style-type: none"> Qualifications of Firm; References; Past Performance; Accounting; Qualifications of Staff; Workforce Diversity 	20	60%
	Technical Proposal Section 2: Work Plan <ul style="list-style-type: none"> Management of Reservations, Scheduling, & Dispatch; Staffing Plan; Recruitment, Hiring & Retention; Compensation System; Training Programs; Program Supervision; Customer Service; Technology; Data Collection & Reporting; Flexibility & Capacity; Service & Performance Improvements; Drug & Alcohol Program; Incorporating Existing Employees; DBE Subcontractor Utilization 	40	
	Price Proposal	40	40%
LIFT Vehicle Maintenance Services	Technical Proposal Section 1: Qualifications of Firm & Staff <ul style="list-style-type: none"> Qualifications of Firm; References; Past Performance; Accounting; Qualifications of Staff; Workforce Diversity 	20	60%
	Technical Proposal Section 2: Work Plan <ul style="list-style-type: none"> Description of Maintenance Programs; Maintenance Management, Organization, Staffing & Planning; Portions of Work to be Subcontracted; Flexibility & Capacity; Annual Work Hours by Element; Employee Recruitment, Training Programs & Retention; Incorporating Existing Employees; Program Supervision; Parts Supply Chain; DBE Subcontractor Utilization 	40	
	Price Proposal	40	40%

RESOLUTION 16-04-23

**RESOLUTION OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING
CONTRACTS FOR ACCESSIBLE TRANSPORTATION PROGRAM
SERVICES**

WHEREAS, TriMet has authority under ORS 267.200 to enter into the following contracts for Accessible Transportation Program services (“Contracts”):

- a two-year contract with four additional one-year options with First Transit, Inc., for LIFT Transportation Services;
- a two-year contract with four additional one-year options with First Transit, Inc., for LIFT Central Dispatch Services;
- a two-year contract with four additional one-year options with Penske Truck Leasing, Inc., for LIFT Vehicle Maintenance Services; and

WHEREAS, the total amount of each of the Contracts shall exceed \$500,000; and

WHEREAS, the TriMet Board of Directors (“Board”), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$500,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contracts shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Contracts.

Dated: April 27, 2016

Attest:

Recording Secretary

Presiding Officer

Approved as to Legal Sufficiency:



Legal Department