

Meeting date: June 11, 2007

ADVISORY INFORMATION	
<b>Date:</b>	June 5, 2007
<b>Subject:</b>	Metro Mobility Agency Contract Recommendation
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	CFR 49 Parts 37 and 38, Met Council Procurement Policy 3-4-3 and Procedure 3-4-3a
<b>Staff Prepared/Presented:</b>	Arlene McCarthy, Director MTS (651)602-1754 Gerri Sutton, Asst. Dir. Contracted Transit Services (651)602-1672 David Jacobson, General Manager – Metro Mobility (651)602-1664 Chris Gran, Director of Purchasing – Metro Transit (612)349-5060
<b>Division/Department:</b>	Metropolitan Transportation Services (MTS)/Metro Mobility

## Proposed Action/Motion

That the Metropolitan Council authorize the Regional Administrator to execute a contract for the operation of Metro Mobility agency transportation service for the term October 1, 2007 through June 30, 2012 with Laidlaw Transit Services (LTS), Inc., for an amount not to exceed \$22,090,000.

## Issue(s)

There are four significant changes to the scope of work in this RFP. These features reduce the risks borne by both the Council and the contractor, reduce administrative costs, shift costs to the capital budget and eliminate the need for recurring Council action.

1. The vehicles under this agreement will be owned by the Council, shifting capital costs from the operating budget and to the capital budget.
2. The Council will directly purchase fuel used for revenue service vehicles.
3. The Council will not pay for revenue hours operated in excess of a 3.6 rides per passenger hour, motivating the contractor to carefully match the available resources with customer demand.
4. Proposers were asked to propose on the base service level and four other potential service levels (95%, 105%, 110%, and 115%). This feature provides the necessary flexibility to accommodate unexpected fluctuations in demand without re-negotiating rates and subsequent Council approval.

## Overview and Funding

Metro Mobility uses private contractors to provide service to a limited number of high volume day training and habilitation (DT and H) and adult day care centers in the metro area. The individuals who attend these agencies are Americans with Disabilities Act (ADA) certified by Metro Mobility. The service operates in a fashion that is comparable to school bus routes, with minimal changes over long periods of time, enabling the Council to maximize service efficiency by pooling these trips together.

A Request for Proposals (RFP) was issued by the Council on March 20, 2007. The scope of work designated two blocks of work totaling 467,053.5 revenue hours for the term of the agreement(s). The agency block assignment was driven primarily by geographical location, but also took into consideration program start and end times and an effort to keep all five Opportunity Partners programs within the same block so as to assure a single provider for their trips needs.

The solicitation and selection process was conducted in accordance with the Metropolitan Council's approved policy; Section/Number 3-4-3a. Per the RFP, proposers could bid on Block I only, Block II only or Blocks I and II combined. Five proposals were submitted in the following manner:

<b>Proposers</b>	<b>Block I</b>	<b>Block II</b>	<b>Combined</b>
Contemporary Transportation Services	X		
First Transit, Inc.			X
Laidlaw Transit Services, Inc.		X	X
Transit Team		X	

A five-member panel including; the Multiple Sclerosis Society, MTS, Minnesota Department of Transportation (MnDOT) and Regional Administration staff, evaluated and rated each of the proposals against the published RFP evaluation criteria. The RFP evaluation criteria were:

- Experience in providing public transportation services;
- Size and scope of past experience, in relation to that required in this RFP;
- Driver training and selection program;
- Management, administrative, financial and technical capabilities;
- Vehicle maintenance practices;
- Reporting capabilities;
- Compliance with this RFP; and
- Cost of providing the services.

The technical components of the proposal were considered by each committee member. After individual evaluation, committee discussion and committee consensus, Contemporary Transportation Services, Inc. was eliminated from further consideration because of inexperience with ADA public transportation service, an inexperienced proposed management team and no locally demonstrated ability to handle a large contract.

The lack of a viable option to award Block I independent of Block II, resulted in further consideration of only those companies proposing on the combined blocks of work. The two companies as shown above were First Transit, Inc. and Laidlaw Transit Services, Inc. After reviewing the proposed costs and technical ratings, Laidlaw Transit Services, Inc. was unanimously selected by the evaluation panel as the proposal most advantageous to the Council.

Metro Mobility Agency service receives seventy-five percent of its funding from state appropriations and thirteen percent from federal 5307 formula dollars. Fares are the primary source of the remaining 12% in revenues. The rates submitted by Laidlaw Transit Services, Inc. will result in a small budget savings for the remainder of 2007.