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March 5, 2018

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

SUBJECT: Award of Contract for Operations and Maintenance of Fixed Route Package 2 Services to MV Transportation

board of directors

Dear Board Members:

stephanie moulton-peters
president
city of mill valley

RECOMMENDATION: Award contract for operation and maintenance of Marin Transit Fixed Route Package 2 service to MV Transportation for an initial three-year term with two additional option years, and direct General Manager to negotiate final contract terms for service beginning on July 1, 2018

damon connolly
vice president
supervisor district 1

SUMMARY: On November 17, 2017 Marin Transit issued a Request for Proposal (RFP) for the operation and maintenance of Package 1 and 2 services. The RFP provided an option to propose a consolidated single contract, as Package 3, that would include all the services under Packages 1 and 2. The Package 1 services consist of eight Marin Transit Local Connector and Local Basic routes (22, 49, 219, 228, 233, 245, 251, and 257) and an estimated 74,950 revenue hours annually. Package 2 services consist of 13 of Marin Transit's Rural, Supplemental School, Recreational, and Partnership Routes (61, 66, 68, 113, 115, 117, 119, 122, 125, 139, 145, 151, and 154) and an estimated 30,000 revenue hours annually.

dennis rodoni
2nd vice president
supervisor district 4

judy arnold
director
supervisor district 5

kate colin
director
city of san rafael

Marin Transit currently provides Package 2 services under contract with MV Transportation. As part of the RFP design, the Route 49 was shifted from Package 2 to Package 1 for continuity of service and equipment utilization. All other Package 1 services are currently provided under contract with Marin Airporter.

kathrin sears
director
supervisor district 3

The Package 1 and 2 contracts will end on June 30, 2018. Marin Transit is required to competitively procure goods and services under the District's Procurement Policy and as a recipient of federal funds.

katie rice
director
supervisor district 2

Through the RFP solicitation, three proposals were received by the deadline of January 12, 2018. However, one proposal was deemed non-responsive. The two responsive proposers and their submittals are as follows:

- Marin Airporter - Proposed Package 1

- MV Transportation – Proposed Packages 1, 2, and 3

Each proposal was thoroughly reviewed and both responsive firms were invited to interview with a technical panel made up of Marin Transit staff and outside agency staff. The technical panel scored the proposals based on the following criteria identified in the RFP:

Criteria	Pts.
Cover Letter	0
Project Understanding	5
Corporate Capabilities, Experience, Past Performance	14
Key Personnel Qualifications and Experience	13
Organization, Workforce and Staffing	13
Mobilization Plan	5
Facility	5
Vehicle Maintenance	10
Customer Service	5
Intelligent Transportation Technology Plan	5
Field Operations/Road Supervision Plan	5
Reporting Plan	5
Employee Training	5
Safety and Security Plan	5
Cost proposal (in a separate envelope) (Must include completed Cost Proposal Forms, provided in Attachment A)	50
Preference for complying with Labor Code 1072	10% Bonus
Required Forms	0

To ensure that the technical evaluation was independent of cost considerations, the technical panel was not provided with the proposal pricing sheets. Price points were awarded separately based on the total proposal costs over the possible five-year term. The lowest priced proposal received the maximum points, and the other proposals received points based on their price relative to the low price.

Based on the proposals submitted and the proposer interviews, the technical panel qualitatively reviewed and ranked the proposals under the only two possible award scenarios:

- Scenario One: an award to MV Transportation for Package 2 and Marin Airporter for Package 1
- Scenario Two: an award to MV Transportation for Package 3

Based on the results of the technical panel's initial review, Marin Transit issued a request for a Best and Final offer from MV Transportation on February 5, 2018. The request letter identified areas of discrepancy, requested further information, and asked for reconsideration of specific items. Below is a summary of the final scoring of the Best and Final offer for Scenario One (Package 1 and 2) and Scenario Two (Package 3 only).

	Scenario One	Scenario Two
Package 1	Marin Airporter	MV Transportation
Package 2	MV Transportation	MV Transportation
Technical Score	82.67	67.67
Price Score	44.40	50.00
Overall Score	127.07	117.67

Based on the above technical and price scoring, Scenario 1 was ranked higher than Scenario 2 and staff recommends MV Transportation for the award of the Package 2 service contract.

This award provides an opportunity for continued success with a valued incumbent contractor, and positions the agency to take advantage of service improvements MV Transportation presented in their proposal. With your Board's approval of this award Marin Transit will negotiate final contract terms with MV Transportation, Inc. and return to the Board for contract approval at your April meeting.

FISCAL/STAFFING IMPACT:

The MV Transportation Package 2 summary pricing proposal is shown below:

Cost per Revenue Hour - Package 2 Service

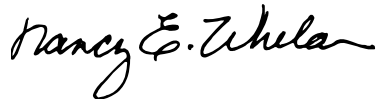
	Base Years			Option Years	
	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Hourly Rate	\$ 56.59	\$ 57.00	\$ 59.16	\$ 60.26	\$ 62.20
Fixed Monthly Fee	\$ 112,143	\$ 115,617	\$ 120,302	\$ 123,377	\$ 126,570

The total cost of this contract over the possible five-year time frame is \$16,032,412 for Package 2 service. This is based on the RFP Package 2 forecast of 30,000 revenue hours annually.

The contract allows Marin Transit to increase or decrease the forecast revenue hours by 20 percent without renegotiating. Option years and expanded revenue hours will be authorized as needed subject to approval of the Board and available funding.

The effective contract hourly rate for these services in FY18/19, is \$101.45 per revenue hour. Many of the services in Package 2 are peak period services with significant deadhead hours that are costly to provide. In the District's 10-year financial plan for the recent Short Range Transit Plan (SRTP), the contract rates for the services in Package 1 and Package 2 included 10 percent and 20 percent escalations, respectively, to account for potential price increases in the new contracts. The effective contract hourly rate is 17 percent above the SRTP estimate. While the costs of Package 2 are above SRTP projections, this package accounts for only 36 percent of the combined service hours. The cost for Package 1 is below SRTP projections. Combined, both packages are within one percent of the SRTP projections and provide for 700 additional service hours.

Respectfully submitted,

A handwritten signature in black ink, reading "Nancy E. Whelan". The signature is written in a cursive, flowing style.

Nancy Whelan
General Manager