



Agreement for Operations and Maintenance Services for the OC Streetcar Project

Background

- March 2017: OCTA Board of Directors approved use of contract services to provide Operations and Maintenance (O&M) services for the OC Streetcar
- Current service plan assumes 31,508 revenue vehicle hours using four to six vehicles
- Contract Terms: 6.5-year contract with two, two-year options
 - Start-Up and Pre-Revenue:
 - Develop required operation procedures and start-up plans
 - Hire and train operators and maintenance staff
 - Prepare for rail activation and system integrated testing
 - Coordinate with California Public Utilities Commission (CPUC) and Federal Transit Administration to meet safety requirements
 - Revenue Service:
 - Provide personnel, equipment, services for the daily O&M of vehicles and system
 - Provide dispatching, communication, and supervising activities
 - Provide security at maintenance and storage facility

Board Approved: Evaluation Criteria and Weights

Qualifications of the Firm	20 percent
Staffing and Project Organization	25 percent
Work Plan	30 percent
Cost and Price	25 percent

Scoring Summary

Evaluation Criteria	Herzog	RATP	Bombardier
Qualifications of the Firm (20 percent)	16	16	14
Staffing and Project Organization (25 percent)	17	13	16
Work Plan (30 percent)	20	21	18
Subtotal	53	50	48
Cost and Price (25 percent)	25	24	22
Total	78	74	70

Overview of Cost

- Cost Structure:
 - Start-Up and Pre-Revenue Period (17 months): Fixed rate per month (labor, benefits, office expenses, management fee)
 - Revenue Operations: Monthly fixed fee plus variable hourly rate based on revenue vehicle hours (variations in service levels will impact staffing levels)
- Staff requested a best and final offer for firms to provide additional information to clarify cost proposals. Cost scoring requires review of option terms pricing in addition to initial contract term.
- Staff reviewed elements that account for cost differences
- Cost proposal from Herzog is fair and reasonable

Recommendation

- Bombardier, Herzog, and RATP are comparable firms and submitted competitive proposals
- Based on Board of Directors-approved evaluation criteria, Herzog received the highest overall score
 - Herzog has proven track record of delivering O&M services for 20 rail and streetcar systems in North America
 - Demonstrated start-up and CPUC experience
 - Proposed General manager, operations manager, maintenance manager have extensive streetcar O&M experience, including working with Siemens vehicles
 - Work plan included a detailed roll-out plan for each phase of operations, including preparation of key start-up operational documents and training programs.
 - Lowest price amongst the three firms
- Recommend contract award to Herzog for \$45,065,590 for O&M services for start-up, pre-revenue, and five-year revenue term.