



August 12, 2021

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Agreement for OC ACCESS Paratransit and OC Flex Microtransit Services

Overview

The Orange County Transportation Authority requires the services of a firm to manage, operate, and maintain the OC ACCESS paratransit and the OC Flex microtransit services. A competitive procurement was conducted, and offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to execute an agreement for the management, operations, and maintenance of the OC ACCESS paratransit and OC Flex microtransit services.

Recommendations

- A. Approve the selection of First Transit, Inc., as the firm to provide the management, operations, and maintenance of the OC ACCESS paratransit and OC Flex microtransit services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2150 between the Orange County Transportation Authority and First Transit, Inc., in the amount of \$242,579,221, to provide the management, operations, and maintenance of the OC ACCESS paratransit and OC Flex microtransit services for an initial four-year term commencing on January 1, 2022, with two, two-year option terms.

Discussion

The Americans with Disabilities Act (ADA) requires agencies that operate fixed-route bus service to provide complementary paratransit service for individuals with disabilities who are unable to use the fixed-route system. To comply with the ADA, the Orange County Transportation Authority (OCTA) implemented the OC ACCESS service in 1993. OC ACCESS service is different

from traditional fixed-route service, requiring passengers to complete an in-person assessment to become eligible to ride, and requiring an advance reservation.

MV Transportation, Inc., (MV) has provided the administration, operations, and maintenance of OC ACCESS service since July 2013. The original agreement included an initial term of four years, with two, two-year option terms. The agreement was most recently amended to extend the term through December 31, 2021, to allow time for staff to evaluate the impact of the coronavirus (COVID-19) pandemic on OC ACCESS service, to make appropriate adjustments to the scope of work and independent cost estimate to reflect changes in anticipated demand, and to refine the service delivery model to incorporate new work practices such as the use of personal protective equipment and updated vehicle cleaning protocols.

The original operating and maintenance agreement for the OC Flex on-demand microtransit service pilot program was awarded to Keolis Transit Services, LLC (Keolis) in 2018 for a one-year initial term with two, one-year option terms. In September 2019, the first option term was exercised, extending the agreement with Keolis through October 14, 2020. In May 2020, Keolis informed OCTA that it would cease all Orange County operations effective May 31, 2020, due to impacts from the COVID-19 pandemic. At that time, Keolis submitted a formal request to OCTA to utilize the assignment provision included in the agreement to assign all rights, title, interest, obligations, and liability under the agreement to MV, the existing provider of OC ACCESS service. Through mutual agreement and to minimize disruption to passengers, the operations and maintenance agreement for the OC Flex microtransit service was assigned from Keolis to MV for a one-year term effective June 1, 2020 through May 31, 2021. In November 2020, the OCTA Board of Directors (Board) approved a seven-month extension of this agreement through December 2021 to align the agreement with the OC ACCESS agreement and extend the pilot project, as the COVID-19 pandemic made it challenging to evaluate OC Flex performance and determine a path forward.

Aligning the OC Flex and OC ACCESS terms allowed staff to incorporate the two services into one agreement going forward to provide economies of scale and to ensure continuity of operations for OC Flex service until staff can further evaluate the applicability of microtransit service in Orange County and develop a more comprehensive service plan that complements the OC Bus service.

Under this agreement, the selected firm will be required to provide all management, operations, and maintenance to deliver service and manage a

dedicated fleet of OCTA-owned paratransit and microtransit vehicles. OCTA will provide the facility (base) and fuel for these services.

OC ACCESS service will continue to include a fixed- and variable-rate structure, in alignment with previous agreements; however, the variable rate has been changed to a per-trip rate for both dedicated and subcontracted services. In previous agreements, the variable compensation rate for OC ACCESS service was based on a per-revenue vehicle hour basis, and the OC ACCESS subcontracted service, Same-Day Taxi, was compensated on a per-revenue vehicle mile basis. The change to a flat per-trip rate was recommended following an OCTA staff and external consultant evaluation of paratransit service delivery models and contract structures of peer agencies. Moreover, the last 20 years of service provision under the ADA, many similar paratransit services have moved from revenue vehicle hour rates to per-trip rates, as services have matured and demand has stabilized. It was found that this type of cost structure helped transportation agencies better project and manage service costs relative to anticipated demand. The rate modification will provide OCTA the opportunity to better control the growth of service versus cost over the term of the agreement, as well as improve the customer experience as the rate structure incentivizes the operator to implement the most efficient routing solution for requested trips. The OC Flex microtransit service will continue as a fixed- and per-vehicle revenue hour variable rate structure as service levels have not normalized, and it allows staff the opportunity to measure the productivity of the service against OC Bus more closely.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved policies and procedures for professional and technical services. In addition to cost, many other factors are considered in an award for professional and technical services. Award is recommended to the firm offering the most comprehensive overall proposal considering such factors as prior experience performing similar projects, staffing and project organization, work plan, as well as cost and price.

On December 14, 2020, the Board approved the release of Request for Proposals (RFP) 0-2150, which was issued electronically on CAMM NET. The project was advertised in a newspaper of general circulation on December 14 and December 21, 2020, and a pre-proposal conference was held on January 6, 2021. Five addenda were issued to make available the pre-proposal conference registration sheets and presentation, as well as respond to questions and address administrative matters related to the RFP.

On March 8, 2021, seven proposals were received. A responsiveness evaluation was conducted on all proposals and two firms, All-Ways Transport LLC (All-Ways Transport) and National Transportation, Inc. (NTI), were found to be non-responsive for failure to demonstrate responsiveness to the five percent Disadvantaged Business Enterprise (DBE) goal required for consideration of award. All-Ways Transport and NTI were determined to be non-responsive for failing to document eligible commitments to DBE-certified firms sufficient to meet the five percent DBE contract goal at the time of proposal submission or by failing to provide documentation to support adequate good-faith efforts as required by the Federal Transit Administration, which provides funding for these services. As such, the proposals from All-Ways Transport and NTI were not included as part of the evaluation process.

An evaluation committee comprised of OCTA staff from the Contracts Administration and Materials Management, Paratransit Services, Financial Planning and Analysis, Scheduling and Bus Operations Support, and Maintenance departments, as well as a representative from the Los Angeles Access Services, met to review the remaining five proposals. The proposals were evaluated based on the following Board-approved evaluation criteria and weightings:

- | | |
|-------------------------------------|------------|
| • Qualifications of the Firm | 20 percent |
| • Staffing and Project Organization | 30 percent |
| • Work Plan | 30 percent |
| • Cost and Price | 20 percent |

Qualifications of the firm was weighted at 20 percent to ensure the firm has prior experience providing similar services. Staffing and project organization was weighted at 30 percent to emphasize the importance that the firm's key personnel demonstrated relevant experience as they are critical to the successful operation of the OC ACCESS paratransit and OC Flex microtransit services. Work plan was weighted at 30 percent as the firm needed to demonstrate its technical approach to managing and operating specialized services. Cost and price was weighted at 20 percent to ensure OCTA receives competitive pricing.

On March 30, 2021, the evaluation committee reviewed the five proposals based on the evaluation criteria, and short-listed the three most qualified firms listed below in alphabetical order:

Firm and Location

First Transit, Inc. (First Transit)
Cincinnati, Ohio

MV Transportation, Inc. (MV)
Dallas, Texas

Transdev Services, Inc. (Transdev)
Lombard, Illinois

On April 14 and April 15, 2021, the evaluation committee conducted interviews with the three short-listed firms. The interviews consisted of a presentation to discuss the firms' qualifications and proposed team. In addition, the firms' key team members had an opportunity to present their qualifications and respond to evaluation committee questions. Questions were asked relative to the firms' approach to training staff, meeting on-time performance, addressing violations, managing subcontractors, reporting data, and improving OC Flex productivity. Furthermore, each firm was asked specific clarification questions related to their proposal. At the conclusion of the interviews, a request for a best and final offer (BAFO) was sent to the three short-listed firms to seek additional clarifications and final pricing.

After considering responses to the questions asked during the interviews, as well as information provided in the BAFO, the evaluation committee reviewed the preliminary ranking of the three firms and made adjustments to individual scores. As a result, First Transit remained as the top-ranked firm with the highest cumulative scores.

Based on evaluation of the written proposals, as well as information obtained from the interviews and BAFOs, the evaluation committee recommends First Transit for consideration of the award. The following is a summary of the proposal evaluation results.

Qualifications of the Firm

The three short-listed firms demonstrated relevant prior experience and qualifications related to paratransit and microtransit services.

Founded in 1955, First Transit has over 65 years of transit operations, maintenance, and management experience and has provided paratransit services since 1985. The firm currently provides paratransit services for public transit agencies across the country, including the San Diego Metropolitan

Transportation System, San Mateo County Transit District, Pierce Transit, New Jersey Transit Corporation, Pace Paratransit Services, and Houston Metropolitan Transit Authority. First Transit has managed 22 successful transitions in the past two years, including at Visalia Transit and Transit Joint Powers Authority for Merced County. The firm also has experience with microtransit services as it operates microtransit services for Omnitrans. The proposed subcontractors on the project demonstrated experience within their respective fields. First Transit's references reported that they were satisfied with the firm's performance.

MV was founded in 1975 and has been managing and operating the OC ACCESS service since 2013 and assumed responsibility of the OC Flex microtransit service in 2020. The firm provides paratransit services for public transit agencies across the country, including the Los Angeles Access Services, King County Metro Paratransit Services, City of Phoenix, Valley Transportation Authority, and Access Lynx Central Florida Regional Transportation Authority. The proposed subcontractors on the project have experience within their respective fields. MV's references reported that they were satisfied with the firm's performance.

Transdev has been in business for over 100 years and provides paratransit services for public transit agencies across the country, including the Central Contra Costa Transit Authority County Connection, Denver Regional Transportation District, San Francisco Municipal Transportation Agency, Maryland Transit Administration, and Washington Metropolitan Area Transportation Authority. The two subcontractors proposed on the project have experience within their respective fields, and the proposal highlights Transdev's ability to provide the services outlined in the scope of work. Transdev's references reported that they were satisfied with the firm's performance; however, one reference provided adverse feedback regarding staffing and communication.

Staffing and Project Organization

All three short-listed firms proposed experienced key personnel with relevant expertise performing similar work.

First Transit proposed a strong project team with extensive experience managing paratransit services. The project manager has 20 years of transportation experience and previously served as assistant general manager of the OC ACCESS service from 2013 to 2019. The project manager is currently serving as general manager at First Transit's Omnitrans location overseeing all operations and maintenance, as well as safety, and is proposed to transfer to

OCTA's project on a full-time basis should the firm be awarded this contract. While the operations manager has eight years of transit operations management experience, the operations manager has managed a Transportation Network Company fleet of over 50 dedicated wheelchair accessible vehicles along with 200 non-dedicated vehicles in support of a paratransit service contract. The maintenance manager has more than 25 years of maintenance experience, and the safety manager has nearly 20 years of experience in safety and training. With 21 years of experience working with public transit operations across North America, the information technology manager has previously worked for Trapeze and brings extensive experience with the Trapeze software currently used for OC ACCESS service for scheduling, dispatch, and reservations. First Transit's proposal demonstrated how the project manager and key personnel will respond immediately to issues related to the service, as well as described the process by which it will recruit and retain staff, including a comprehensive wage and benefits package for all employees. Additionally, First Transit is proposing a director of quality assurance with over 24 years of paratransit experience, and the local team is supported by a strong regional management team. During the interview, the project team discussed their respective roles and demonstrated a comprehensive understanding of OCTA's requirements.

MV proposed a qualified project team with extensive expertise and experience managing paratransit services. With 25 years of experience, the project manager has been managing the OC ACCESS service since 2018 and previously served as assistant general manager for the Regional Transportation Commission of Southern Nevada's fixed-route service. The operations manager has 20 years of operations management experience and currently manages the day-to-day operations of the OC ACCESS service. The maintenance manager and safety manager each have over 16 years of experience, while the information technology manager has nearly 25 years of experience with the Trapeze software. MV described the process by which it will attract and retain staff; however, it only provided a management absentee coverage plan to demonstrate the ability of the project manager and key personnel to respond immediately to issues, which was not sufficient. During the interview, the project team discussed their respective roles and provided clear responses to the evaluation committee questions that demonstrated a comprehensive understanding of OCTA's requirements.

Transdev proposed experienced key personnel with extensive and relevant expertise performing similar work. The project manager has 25 years of paratransit experience including oversight of several large paratransit systems located in the cities of Las Vegas, San Diego, and Seattle. The project manager is currently serving as a division manager for Transdev's San Diego Metropolitan

Transit System location and was proposed to be fully dedicated to the project. The operations manager has more than 20 years of operations management experience and has worked alongside the project manager for nearly a decade. The maintenance manager has 17 years of maintenance experience, including nine years overseeing maintenance for a large paratransit fleet in Seattle. Additionally, the safety manager and information technology manager have extensive experience in their respective fields. Transdev described the process by which it will attract and retain staff and demonstrated the ability of the project manager and key personnel to respond immediately to issues, and a detailed explanation of the health and welfare benefits package that will be offered to employees was submitted. The local team is supported by an experienced regional management team. Transdev's interview supported the team's relevant experience, staffing, and project understanding as the team provided clear responses to the evaluation committee questions.

Work Plan

The work plans proposed by the three short-listed firms provided an approach to managing, operating, and maintaining the OC ACCESS paratransit and OC Flex microtransit services.

First Transit provided a comprehensive plan for service operations that addressed day-to-day operational considerations, personnel recruitment processes, and procedures for handling emergencies and unforeseen situations. Additionally, First Transit provided service enhancement recommendations, such as increasing on-time performance by adding supervisors to improve accountability, implementing operator incentives for attendance and performance, and utilizing new technological tools, such as First Analytics system for advanced metrics and data to monitor service delivery and customize training. For personnel training and testing, First Transit described how continuous training will be provided to drivers, call center personnel, mechanics, and other support staff through classroom training and online courses available through its First America University program. The firm also addressed its process for collecting and reporting operational and maintenance data, including the use of its proprietary Management Information Dashboard for increased reporting capabilities and real-time graphical information and operational data to allow the management team to monitor and ensure compliance of key performance indicators. Furthermore, the proposed transition plan identified key tasks and a detailed timeline that demonstrated First Transit's capability to complete service start-up activities in time to commence service operations on January 1, 2022. First Transit also included detailed plans for scheduling, safety, and vehicle and facility maintenance plan, as well as a comprehensive subcontractor oversight program to ensure compliance with OCTA requirements for vehicle

maintenance, in-field observations, and staff training. In addition, First Transit is dedicating additional road supervisors to the oversight of their subcontractor operations to ensure quality of service. For special issues or problems that are likely to be encountered during the project and how these would be addressed, First Transit identified recovery from the COVID-19 pandemic, cleanup of the subscription database, staggering vehicle arrival times to minimize dwell time, and training staff on OCTA's transition from a revenue vehicle hour to a per-trip rate contract. During the interview, First Transit provided detailed and thorough responses to the evaluation committee questions. In addition, the firm adequately addressed community outreach and engagement with adult day centers, community programs, and senior centers returning to in-person services, as well as strategies to be implemented to ensure on-time performance metrics are met.

MV provided a comprehensive plan for service operations that addressed day-to-day operational considerations, personnel recruitment processes, and procedures for handling emergencies and unforeseen situations. For personnel training and testing, MV detailed its training programs for service delivery, including descriptions of training, hours, and testing requirements. The firm also addressed its process for collecting and reporting operational and maintenance data, as well as demonstrated its understanding of various daily data collection activities and reporting requirements. MV included detailed plans for scheduling, safety, and vehicle and facility maintenance, as well as a comprehensive subcontractor oversight program to ensure OCTA's requirements are met regarding vehicle maintenance, in-field observations, and staff training. For special issues or problems that are likely to be encountered during the project and how these would be addressed, MV only addressed recovery from the COVID-19 pandemic and no additional special issues or problems were identified by MV that could impact the services moving forward. During the interview, MV's responses to questions regarding the strategies they planned to use to build on staff's understanding of ADA paratransit service, as well as community outreach and engagement, lacked detail and specifics.

Transdev provided a comprehensive plan for service operations and placed emphasis on various technological tools to provide service enhancements. The firm addressed procedures for handling emergencies and unforeseen situations and detailed its training programs for service delivery, including descriptions of training, hours, and testing requirements. The firm also addressed its process for collecting and reporting operational and maintenance data, as well as demonstrated its understanding of various daily data collection activities and reporting requirements. Transdev included detailed plans for scheduling, safety, and vehicle and facility maintenance; however, the subcontractor oversight program lacked detail on the plan to oversee the subcontractor vehicle fleet. The

proposed transition plan identified key tasks and a detailed timeline that demonstrated Transdev's capability to complete service start-up activities in time to commence service operations on January 1, 2022. For special issues or problems that are likely to be encountered during the project and how these would be addressed, Transdev identified driver shortage, improved safety performance, focus on scheduling procedures, and recovery from the COVID-19 pandemic. During the interview, Transdev provided detailed responses to the evaluation committee questions; however, the firm's responses to questions about the subcontractor-proposed maintenance and vehicle storage plan did not address an adequate oversight program by Transdev to ensure quality of service.

Cost and Price

Cost was weighted at 20 percent of the overall score. The three firms submitted the detailed price proposals as requested for the initial and option terms of the contract, as required by the terms of the RFP. However, contract award is being made for the price of the initial term only. Option terms will be presented to the Board at a future date.

Scores were based on a formula that assigned the highest score to the firm with the lowest total price and scored the other proposals total price based on their relation to the lowest total price. The pricing received for the initial term was reviewed relative to the OCTA project manager's independent cost estimate (ICE) for the same term. Total price is summarized below:

Firm	Initial Term	Option Term 1	Option Term 2	Total Price
First Transit	\$242,579,221	\$139,288,693	\$153,100,618	\$534,968,532
MV	\$236,663,592	\$132,629,932	\$146,987,922	\$516,281,446
Transdev	\$276,791,080	\$159,552,130	\$175,745,719	\$612,088,929
OCTA ICE	\$215,038,673	\$119,624,745	\$128,096,574	\$462,759,992

While the price proposed by First Transit after the BAFO was \$5,915,629, or approximately 2.5 percent higher than MV's price for the initial term and \$18,687,086, or approximately 3.6 percent higher than MV's price for the entire eight-year term, the firm's proposed staffing and approach to managing and operating the OC ACCESS and OC Flex services support the higher price. First Transit's proposed price for the initial term was approximately 12.8 percent above OCTA's ICE of \$215,038,673; however, it should be noted that all three firms submitted pricing that are higher than the ICE due to higher annual growth rates assumed by each of the firms when compared to the growth rates used to develop the ICE.

First Transit's proposed price is inclusive of all requirements of the RFP and considered fair and reasonable as it is approximately 2.5 percent higher than MV's price for the initial term and it is competitive based on the pricing received from all the firms.

Procurement Summary

Based on the evaluation of the written proposals, firm qualifications, as well as the information obtained from the interviews and BAFOs, the evaluation committee recommends the selection of First Transit as the top-ranked firm to provide the management, operations, and maintenance of the OC ACCESS paratransit and OC Flex microtransit services. First Transit delivered a proposal and interview that were responsive to all the requirements of the RFP.

Although First Transit's pricing was higher than MV's, the evaluation committee recommends First Transit as the top-ranked firm for the following reasons:

- First Transit's local team is highly qualified and supported by a strong regional management team.
- First Transit proposed an additional key staff position for the director of quality assurance with over 24 years of paratransit experience.
- First Transit proposed service enhancement recommendations, such as increasing on-time performance by adding new staff positions to improve accountability.
- First Transit emphasized utilizing new technological tools, such as the Management Information Dashboard for increased real-time reporting capabilities and the First Analytics system designed to assist with visualizing and translating historical performance data, assessing departmental performance, and giving managers and staff the opportunity to impact operations proactively throughout the day.
- First Transit highlighted strategies to be implemented to ensure performance metrics are met.

Fiscal Impact

Funds for this service are included in the OCTA Fiscal Year 2021-22 Budget, Operations Division, Paratransit Services Department, account nos. 2136-7311-D1208-8LA, 2136-7311-D1208-8LB, 2136-7312-D1208-AVH, 2136-7613-D1208-0GP, 2136-7831-A3227-RKK, 2135-7613-D2132-0GQ, 2149-7317-D2161-N97, and 2149-7317-A2362-N97, and will be funded through the Local Transportation Fund and federal funds.

Summary

Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2150 between the Orange County Transportation Authority and First Transit, Inc., in the amount of \$242,579,221, to provide OC ACCESS paratransit and the OC Flex microtransit services for an initial four-year term commencing on January 1, 2022, with two, two-year option terms.

Attachments

- A. Review of Proposals, RFP 0-2150 OC ACCESS Paratransit and OC Flex Microtransit Services
- B. Proposal Evaluation Criteria Matrix (Short-Listed Firms) – RFP 0-2150: OC ACCESS Paratransit and OC Flex Microtransit Services
- C. Contract History for the Past Two Years, RFP 0-2150 OC ACCESS Paratransit and OC Flex Microtransit Services

Prepared by:



Jack Garate
Manager, Paratransit Services
714-560-5387



Pia Veasapen
Director, Contracts Administration and
Materials Management
714-560-5619

Approved by:



Beth McCormick
Executive Director, Operations
714-560-5964



Jennifer L. Bergener
Deputy Chief Executive Officer/Chief
Operating Officer, Operations
714-560-5462