



November 12, 2018

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: Approval to Release Request for Proposals for Operations and Maintenance of the OC Streetcar

Overview

On March 27, 2017, the Orange County Transportation Authority Board of Directors approved the use of a contractor to provide operations and maintenance services for the OC Streetcar project and directed staff to return to the Board of Directors for approval to release a request for proposals to procure these services. A request for proposals has been developed, and staff is seeking Board of Directors' approval of the proposed evaluation criteria and weightings, and to issue the request for proposals.

Recommendations

- A. Approve the proposed evaluation criteria and weightings for Request for Proposals 8-2039 to select a contractor for operations and maintenance services for the OC Streetcar.
- B. Approve the release of Request for Proposals 8-2039 for operations and maintenance services for the OC Streetcar for an initial term of June 1, 2020 through October 31, 2026, with two, two-year option terms.

Discussion

A request for proposals (RFP) has been developed to solicit a contractor to provide operations and maintenance (O&M) for the OC Streetcar system. Under the scope of work, the selected firm(s) will be required to provide OC Streetcar services, including management, O&M of streetcar vehicles, and all streetcar-specific tools, equipment, and systems at the Maintenance and Storage Facility (MSF), and along the alignment.

The contractor will initially be responsible for providing documentation and staffing needed to prepare for the implementation and commencement of operations of

the OC Streetcar, known as the pre-revenue service period. The pre-revenue service period will last approximately 17 months. During the first half of this period, the contractor will engage its key management personnel, who will work with the Orange County Transportation Authority (OCTA) to develop rulebooks and standard operating procedures, and create and revise documentation required to support startup and operations. During the second half of the period, the contractor will hire and train streetcar operators and maintenance staff, and will support vehicle and system testing and documentation to prepare for revenue service. During the pre-revenue period, the contractor will also develop and administer the Rail Activation Plan, the System Integration Testing Plan, the System Security and Emergency Preparedness Plan, System Safety Program Plan, and act as the Rail Activation/Operations Chair.

The contractor will be responsible for all O&M of the OC Streetcar system in revenue operations for an initial period of five years. During the period, the contractor will take full responsibility for daily O&M of the OC Streetcar system and will provide the requisite personnel, services, supplies, and equipment (except for such supplies and equipment provided by OCTA) required to safely and efficiently operate and maintain the OC Streetcar. The contractor will conduct and document all maintenance and repair of streetcar vehicles and will clean vehicles at OCTA-prescribed intervals. The contractor will provide all streetcar dispatching, communication, and supervising activities. The contractor will inspect, test, maintain, and repair all streetcar system components, including, but not limited to, track, switches, rail signals and crossing gates, train-to-wayside control, the overhead power system, wires, poles, stanchions, and substations. The contractor is responsible for meeting all OCTA, state, and federal standards and requirements for both the pre-revenue and revenue operations periods.

OCTA will be responsible for providing the streetcar vehicles and MSF, all needed non-revenue vehicles, and conducting all security, fare collection, and enforcement activities on the OC Streetcar. OCTA's administrative roles will include establishing the overall service O&M parameters, handling all customer comments, and establishing fare policies and the fare structure.

OCTA's anticipated schedule for the services to be provided by the contractor is as follows:

1. Pre-Revenue Service Period: June 1, 2020 – October 31, 2021
2. Revenue Operations Period: November 1, 2021 – October 31, 2026
3. Revenue Operations Option Terms – (Up to 2 Option Terms, Two years each):
 - a. Option Term #1: November 1, 2026 – October 31, 2028
 - b. Option Term #2: November 1, 2028 – October 31, 2030

During the pre-revenue period, the contractor will provide a fixed-price. During the revenue operations period, the contractor will invoice OCTA monthly based on a fixed-rate and variable-rate structure. As proposed, the contractor's monthly fixed rate will include the costs of labor, benefits, and taxes for management and administrative personnel. The contractor's monthly variable rate, which can change based on fluctuations in service or staffing levels, will include the costs of labor, benefits, and taxes for O&M personnel, materials, supplies, and uniforms.

The current service plan anticipates providing 31,408 revenue vehicle hours (RVH) annually. The agreement includes language that will provide for the RVH rate to be renegotiated if the service level changes 20 percent above or below the base RVH level for each year.

Procurement Approach

OCTA Board of Directors (Board)-approved procedures require that the Board approve all RFPs over \$1,000,000, as well as approve the evaluation criteria and weightings. Staff is submitting for Board approval the draft RFP and evaluation criteria and weightings, which will be used to evaluate proposals in response to the RFP.

The proposed evaluation criteria and weightings are as follows:

- | | | |
|---|--------------------------------------------------------|------------|
| • | Qualifications of the Firm | 20 percent |
| • | Staffing, Project Organization and Management Approach | 25 percent |
| • | Work Plan | 30 percent |
| • | Cost and Price | 25 percent |

Several factors were considered in developing the criteria and weightings. Highest importance is given to the work plan criterion to emphasize the importance of the contractor's understanding of the project and its challenges, and its approach to implementing the various elements of the scope of work. High importance was given to staffing, project organization and management approach as the general manager and other key local personnel are critical to the successful and timely delivery and operation of the service. The criterion for qualifications of the firm is proposed for evaluating the firm's experience in performing work of a closely similar nature and level of service. Cost and price is an evaluated factor to ensure competitiveness in proposed pricing to accomplish the work required. These criteria and the assigned weightings are similar in structure to other O&M procurements for start-up streetcar projects in the cities of Cincinnati, Ohio and Milwaukee, Wisconsin.

The contract for this procurement will be an approximately seven-year initial term with two, two-year option terms. The RFP will be released upon Board approval of these recommendations.

Fiscal Impact

Funds for the OC Streetcar service will be included in OCTA's Fiscal Year 2019-20 Budget and will be funded through a combination of Federal Transit Administration, state, Measure M2, farebox revenue, and contributions from the cities of Garden Grove and Santa Ana.

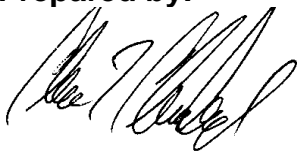
Summary

Board approval is requested to release Request for Proposals 8-2039 for operations and maintenance of the OC Streetcar, as well as approval of the proposed evaluation criteria and weightings.

Attachment

- A. Draft Request for Proposals (RFP) 8-2039 OC Streetcar Operations and Maintenance Contractor Services

Prepared by:



Cleve Cleveland
Department Manager
(714) 560-5535

Approved by:



Jennifer L. Bergener
Chief Operating Officer
(714) 560-5462



Virginia Abadessa
Director, Contracts Administration and
Materials Management
(714) 560-5623