

PROCUREMENT SUMMARY

TAP THIRD PARTY VENDOR MANAGEMENT AND SUPPORT SERVICES / PS123711(2)000

1.	<b>Contract Number:</b> PS123711(2)000	
2.	<b>Recommended Vendor:</b> Cubic Transportation Systems, Inc.	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	A. <b>Issued:</b> January 2, 2025	
	B. <b>Advertised/Publicized:</b> January 2, 2025	
	C. <b>Pre-Proposal Conference:</b> January 15, 2025	
	D. <b>Proposals Due:</b> February 3, 2025	
	E. <b>Pre-Qualification Completed:</b> December 30, 2025	
	F. <b>Ethics Declaration Forms submitted to Ethics:</b> February 9, 2025	
	G. <b>Protest Period End Date:</b> March 24, 2026	
5.	<b>Solicitations Downloaded:</b> 14	<b>Bids/Proposals Received:</b> 1
6.	<b>Contract Administrator:</b> Amy Chi	<b>Telephone Number:</b> 213-922-2278
7.	<b>Project Manager:</b> Kyle Holland	<b>Telephone Number:</b> 213-922-2446

**A. Procurement Background**

This Board Action is to approve Contract No. PS123711(2)000 to provide TAP third party vendor management and support services. Board approval of contract awards is subject to the resolution of any properly submitted protest(s), if any.

The Request for Proposals (RFP) was originally issued on September 4, 2024 as a Small Business Prime Set-Aside. However, no proposals were received. Metro staff conducted a market survey of the planholders list to determine why no proposals were received. The survey revealed that the firms didn't have the technical resources and expertise to perform the work.

On January 2, 2025, RFP No. PS123711(2) was issued as a competitive procurement in accordance with Metro's Acquisition Policy, and the contract type is firm fixed unit rate. The Diversity and Economic Opportunity Department did not recommend a Small Business Enterprise (SBE) nor a Disabled Veteran Business Enterprise (DVBE) participation goal due to lack of ready and willing certified subcontractors to provide specialized Salesforce responsibilities for this work.

One amendment was issued during the evaluation phase of this RFP:

- Amendment No. 1, issued on August 4, 2025, revised the Scope of Services to clarify the Contractor's role for device repairs and replacement, and refresher training.

A total of 14 downloads of the RFP were included in the planholder's list. A virtual pre-proposal conference was held on January 15, 2025, and there were no attendees. There were no questions asked during the solicitation phase.

One proposal was received from Cubic Transportation Systems, Inc. by the proposal due date of February 3, 2025.

Since only one proposal was received, staff conducted a market survey of the planholders to determine why no other proposals were submitted. Responses were received from four firms and they included the following reasons:

- Lack of technical expertise to perform the requested services;
- Inability to allocate the necessary resources to finalize a competitive proposal; and
- Services requested were outside the firm's core competencies.

The market survey revealed that the decisions not to propose were based on individual business considerations. Therefore, the solicitation can be awarded as a competitive award.

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Strategic Financial Management Department, was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the following evaluation criteria:

Phase 1 Evaluation – Minimum Qualifications (Pass/Fail): To be responsive to the RFP minimum qualifications requirements, the proposer must meet all of the following:

- A minimum of five (5) years of experience providing third-party vendor management and support services;
- Currently manages a minimum of two (2) accounts with a customer/vendor database of over 500 records each;
- A minimum of five (5) years of experience with retail point of sale (POS) device installation; and
- A minimum of five (5) years of experience providing training on the proper use of POS or similar technological devices

Phase 2 Evaluation - Weighted Technical Evaluation. The proposer met the Minimum Qualifications (Pass/Fail) Criteria and was further evaluated based on the following evaluation criteria and weights:

- Qualifications of Prime Contractor/Team’s Experience and Skills 20%
- Qualifications and Experience of Proposed Key Personnel 10%
- Capability to provide on-going services 30%
- Capability to transition and implement services 20%
- Price 20%

Several factors were considered when developing these weights, giving the greatest importance to the capability to provide on-going services.

From February 13, 2025 to February 27, 2025, the PET independently evaluated and scored the technical proposal. At the conclusion of the evaluation, the PET determined that Cubic Transportation Systems, Inc. met all RFP requirements and was technically qualified to perform the work.

The following is a summary of the PET scores:

<b>1</b>	<b>Firm</b>	<b>Average Score</b>	<b>Factor Weight</b>	<b>Weighted Average Score</b>	<b>Rank</b>
<b>2</b>	<b>Cubic Transportation Systems, Inc.</b>				
<b>3</b>	Qualifications of the Prime Contractor/Team's Experience and Skills	96.00	20.00%	19.20	
<b>4</b>	Qualifications of Experience of Proposed Key Personnel	94.00	10.00%	9.40	
<b>5</b>	Capability to provide on-going services	90.00	30.00%	27.00	
<b>6</b>	Capability to transition and implement services	98.00	20.00%	19.60	
<b>7</b>	Price	<b>100.00</b>	20.00%	20.00	
<b>8</b>	<b>Total</b>		<b>100.00%</b>	<b>95.20</b>	<b>1</b>

**C. Price Analysis**

The recommended price has been determined to be fair and reasonable based on price analysis, Independent Cost Estimate (ICE), technical analysis, fact-finding, and negotiations.

	<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Recommended Amount</b>
1.	Cubic Transportation System Inc.	\$3,264,679	\$1,702,427	\$1,464,366

From March 2025 to October 2025, a detailed review of the cost proposal was conducted. While the overall scope was understood, several cost elements required further technical justification. Following the fact-finding and price proposals received on April 15, 2025, and July 28, 2025, strategic changes were made to the scope of services to ensure alignment with the budget and operational requirements. Subsequently, scope changes were made to remove the requirement for the contractor to act as a passthrough payment vehicle to third party suppliers for device repairs and replacements and provide training in eight languages. Training will be provided in English and Spanish only. On August 27, 2025, a revised proposal was received.

Negotiations were held from September to December 2025 to address contract exceptions and finalize terms and conditions. Staff successfully negotiated, lowered the administrative and profit fees, and rejected the proposed bond cost, which was not required for this solicitation.

**D. Background on Recommended Contractor**

Cubic Transportation Systems, Inc. (CTS), established in 1972, is headquartered in San Diego, California. A subsidiary of Cubic Corporation, CTS is a technology provider of integrated solutions for the transportation and defense industries and public transit revenue management and fare collection systems.

CTS has a long-standing history of managing complex transit systems such as the New York Metropolitan Transportation Authority, the Chicago Transit Authority, the Metropolitan Transportation Commission, Washington Metropolitan Area Transit Authority, the Massachusetts Bay Transportation Authority, and Metro.

CTS has been providing fare collection management and regional integration services to Metro since 2002, and performance has been satisfactory.