

PROCUREMENT SUMMARY

MICROTRANSIT PILOT PROJECT / CONTRACT NO. PS46292001

1.	Contract Number: PS46292001		
2.	Contractor: RideCo, Inc.		
3.	Mod. Work Description: MicroTransit Pilot Project – PART B (Implementation)		
4.	Contract Work Description: To assist in the day-to-day performance of a new transit mode in areas of the County of Los Angeles as approved by Metro		
5.	The following data is current as of: January 3, 2020		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	04-26-2018	Contract Award Amount: \$219,650.26
	Notice to Proceed (NTP):	05-22-2018	Total of Modifications Approved: \$ 66,334.87
	Original Complete Date:	09-06-2019 (PART A)	Pending Modifications (including this action): \$ 28,874,747.50
	Current Est. Complete Date:	09-01-2022 (PART B)	Current Contract Value (with this action): \$ 29,160,732.63
7.	Contract Administrator: Roxane Marquez		Telephone Number: 213-922-4147
8.	Project Manager: Rani Narula-Woods		Telephone Number: 213-922-7414

A. Procurement Background

This Board Action is to approve Contract Modification No. 5 to implement Part B of MicroTransit Pilot Project (“Project”) issued in support of a new transportation service to extend the reach of Metro’s multi-modal network.

This Contract Modification will be processed in accordance with Metro’s Acquisition Policy and the contract type is a firm fixed price. The period of performance for Part B is for two (2) years of Revenue Service Operations with 120 days of pre-Revenue Service Operations and 30 days for post-Revenue Service Operations for the final evaluation, totaling 29 months. The Contract includes a one-year option (month-to-month service, for up to 12 months) for a third and final Revenue Service Operations year of the Pilot.

The initial Request for Proposals (RFP) for this project was issued on October 25, 2017 and was solicited and awarded to be executed in two parts; Part A, the “Planning and Design” phase and Part B, the “Implementation and Evaluation” phase. This procurement tool served as the agency’s first Pre-Development Agreement Public Private Partnership (PDA-P3) procurement model.

On April 26, 2018, the Board awarded three (3) contracts to firms to perform Part A (Planning and Design) of the MicroTransit Pilot Project. The period of performance for Part A was 6 months. Part B was determined to be a future Board action depending on the feasibility results of Part A. The three firms awarded, and their respective award amounts, are as follows:

- RideCo, Inc., \$219,650.26
- NoMad (Via) LLC, \$348,684.69
- Transdev Services \$316,912.31

Refer to Attachment B, Contract Modification/Change Order Log for contract modifications issued to date.

On April 23, 2019, the RFP for Part B (Implementation and Evaluation) was issued to each of the three Contractors in accordance with Metro's Acquisition Policy and Procedures with a separate SBE/DVBE goal of 13% (SBE 10% and DVBE 3%). The Part B RFP provided all three firms with a Letter of Invitation to compete for Part B with a Statement of Work for Part B, an Evaluation Criteria on how their proposals were to be evaluated, and instructions for required documentation; thereby requesting competitive proposals for Part B based on their specific study and analysis.

Six (6) amendments were issued to the RFP Documents, amending documents as follows:

- Amendment No. 1, issued on June 26, 2019, clarified instructions to Proposers – Submittal Requirements (Part A) and extended the due date for both Part A Final Report and Part B proposal to August 16, 2019.
- Amendment No. 2, issued on July 12, 2019, clarified instructions to Proposers – Submittal Requirements (Part B) and extended the Part B proposal due date to August 23, 2019, provided a revised Exhibit B – Pricing Schedule and removed Exhibit 10 – Certification of Compliance with 59 CFP Part 655, Prevention of Alcohol Misuse and Prohibit Drug Use as this does not apply.
- Amendment No. 3, issued on July 31, 2019 extended the due date for Part A Final Report to August 30, 2019 and Part B proposal to September 6, 2019, provided a Supplemental Contract (Amended and Restated) for Part B; and provided for in-person Interviews and Oral Presentations for Part B of the Technical Proposal.
- Amendment No. 4, issued August 28, 2019, extended Part A Final Report due date to September 6, 2019 and extended Part B proposal due date to September 13, 2019.
- Amendment No. 5, issued December 16, 2019, provided a revised and amended Statement of Work (dated 12/16/19) and requested revised Technical Proposals for Part B to be due on December 30, 2019; provided a revised

Exhibit B – Pricing Schedule; provided a revised Exhibit C – Insurance Requirements, provided a revised Article VIII: Insurance; and revised GC-37 Liability and Indemnification.

- Amendment No. 6, issued December 24, 2019, provided a revised Statement of Work for Part B (dated 12/24/19) and extended the due date for Exhibit B – Pricing Schedule to January 2, 2020.

On September 6, 2019, the contracted firms submitted their Final Reports for Part A for the design, planning and development of this project. Final Reports for Part A were reviewed by the Project Manager to learn of their study and to determine the feasibility of this project. This concluded their performance to Part A of the contract for this two-part procurement.

On September 13, 2019, all three (3) firms submitted their Technical Proposal and Price Proposal for Part B based on their recommended design and development for the operation.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from the Office of Extraordinary Innovation, Operations, Policy, Communications, and Information Technology was convened and conducted a comprehensive technical evaluation of the proposals received for Part B.

The proposals were evaluated based on the following evaluation criteria and weights:

1. Customer Experience	15 percent
2. Service Feasibility Study	15 percent
3. Communications Plan	12 percent
4. Performance Plan	12 percent
5. Business Plan	16 percent
6. Price Proposal – Part B	30 percent

Several factors were considered when developing these weights, giving the greatest importance to Price Proposal for implementing Part B.

On October 8, 2019, the Proposal Evaluation Team (PET) completed its independent evaluation of proposals. The PET determined that all three (3) teams were invited to an in-person Interview and Oral Presentation to answer questions, clarify Technical Proposals and approaches to service design and to present their Technical Proposal for implementing Part B.

The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation team's specific questions regarding Part B of their Technical Proposal. Each team also had an opportunity to present their findings and proposed plans under the five technical subject areas identified in the evaluation criteria. Each team summarized their unique approach to

launching a successful on-demand, technology-based transit operation. Also highlighted were staffing plans, work plans, key performance metrics including utilization and anticipated pilot project opportunities and constraints.

Qualifications Summary of Firms Interviewed:

RIDECO

RideCo, Inc. is a full-service, on-demand mobility firm with a breadth of experience developing, maintaining and managing the underlying software technology platforms to conduct MicroTransit operations. RideCo has worked closely with public and private sector partners on the integration of MicroTransit into service offerings in the United States and globally. RideCo is headquartered in Waterloo/Ontario, Canada.

RideCo's Part B Technical Proposal and oral presentation demonstrated thorough expertise in emerging on-demand technologies, strong analysis of zones, and experience with launching on-demand services with partners to support fixed-route network integration. Project personnel demonstrated a deep understanding of Metro's potential for market positioning of MicroTransit in the evolving field of transportation technology. NextGen transit competitiveness research was clearly and explicitly utilized to support the planning work conducted by RideCo.

The Technical Proposal and oral presentation demonstrated RideCo's experience in all required tasks for Part A including pre-launch planning, deployment planning and service design that would most effectively assist the agency in achieving the aspirational goals and performance outcomes reflected in Vision 2028, Metro's Strategic Plan.

RideCo's detailed analysis and modeling supports operational feasibility of this new service offering. Additionally, the showcase of RideCo's technical skill combined with their understanding of the Statement of Work reinforces the team's ability to perform in-line with Metro's performance standards and, at peak performance, to exceed operational and financial targets for this service. The utilization and ridership modeled will allow for the agency to set attainable cost recovery goals and expectations.

RideCo effectively proposed to partner with Metro to build a service which supports the backbone of public transit (the Agency's bus and rail network). The Part B Technical Proposal was comprehensive, thorough in approach, and aligned with Metro's goals and needs of customers both current and future. RideCo illustrated a detailed strategy to achieve the performance standards and utilization required to achieve project success as outlined in the Statement of Work. The maintenance plan offered extensive consideration of safety for both Metro operators and customers. Of equal importance, the Technical Proposal included detailed attention and approach to meet and exceed the unique needs of customers with varying levels of mobility.

Most notably unique to RideCo's expertise as witnessed in their oral presentation is their advanced ability to leverage data and analytics to model and implement operations which can bolster the core product of their respective client.

RideCo's team for Part B consists of the industry's top performers in the field of MicroTransit including specialists in software development, modeling and analytics, vehicle procurement and on-demand marketing and high-touch customer acquisition and outreach techniques.

NOMAD TRANSIT LLC (Via)

NoMad Transit LLC ("Via"), is a wholly-owned subsidiary of Via Transportation, Inc. headquartered in New York City. Via is registered in California as a Transportation Network Company and is focused on providing on-demand technology and subsidized support services to the public sector. The firm directly manages private operations in numerous cities in the United States.

The firm's Technical Proposal offered a software technology platform which distinctly featured improved user experience attributes combined with neatly managed look and user design. The suite of technology tools emphasized ease of use and tied into the proposed market positioning of MicroTransit. Overall, the Technical Proposal offered generally sound analysis with a comprehensive approach to data collection.

The Technical Proposal and oral presentation however, reflected limited understanding of Metro's expectations for a new mode of transportation within Metro's family of services. Metrics for success, including utilization, were not aligned with agency performance goals and yet to be realized improvements per NextGen bus restructure. The firm's Maintenance plan was generally limited in approach and oversight for hybrid P3 operation. Market positioning relied too heavily on positioning transit service as a private ride and leveraging company's brand rather than focusing on the conversion of core transit customers to Metro on-demand riders. The Technical Proposal did not identify and communicate how Metro could best leverage Metro's resources and assets for a Metro operation. The proposed team consisted of a number of specialists including communications experts.

TRANSDEV

Transdev, formerly Veolia Transdev, is a French-based international transport operator, with operations in 19 countries. Transdev also has a Maryland-based corporation.

Transdev's Technical Proposal and oral presentation displayed expertise in a broad range of disciplines, including a strong working knowledge of bus rapid transit, shuttles, fleet maintenance and multimodal services. The firm's Technical Proposal and presentation demonstrated an experienced project team in the fields of transportation technology, operations and service planning.

However, plans and responses to clarifications during oral presentation affirmed a number of critical missing details pertaining to vision and execution of the operation. Transdev did not submit incentives or deductions worksheets and, as such, failed to identify or project Key Performance Metrics that are critical to evaluate pilot project success. Performance measurement was inadequate and, as such, the approach failed to execute on the aspirational goals as identified and reflected in Vision 2028.

On October 4, 2019, the PET completed its evaluation of the above-mentioned proposals after oral interviews and presentations were held. As a result of evaluations, Transdev was determined to be outside the competitive range and was no longer considered for further evaluation.

Upon further development of the NextGen bus restructure and labor rules pertaining to this operation, staff became aware of new requirements for launching and operating MicroTransit. As such, Metro determined that a revised Statement of Work for Part B was required to incorporate clarifications, identify new requirements, and changes to hardware. Most notably, the side letter for the new operators (drivers) and the expectation for Reporting Locations with facilities, office space and parking for Metro employees. Metro also learned that a larger vehicle fleet was required to support integration of MicroTransit within the system-wide build out of the NextGen bus system.

Given these new requirements, Amendment No. 5 was issued on December 16, 2019 with a revised Statement of Work to the two (2) firms deemed within the competitive range after Interviews and Oral Presentations. These firms are listed in alphabetical order:

- NoMad, LLC (Via)
- RideCo, Inc.

Both firms were required to submit a revised Technical Proposal and updated Price Proposal based upon a revised Statement of Work for Part B.

The PET reconvened to evaluate each firms' revised Technical Proposals based upon new requirements presented in the revised Statement of Work. On December 31, 2019, the PET completed its independent evaluation of the technical proposals. As a result, the firms earned the following final scores with RideCo, Inc. ranked as the highest firm to perform Part B, project implementation.

		Average Score	Factor Weight	Weighted Average Score	Rank
1	Firm				
2	RideCo				

3	Customer Experience	88.00	15.00%	13.20	1	
4	Service Feasibility Study	94.00	15.00%	14.10		
5	Communications Plan	79.00	12.00%	9.48		
6	Performance Plan	89.60	12.00%	10.75		
7	Business Plan	80.25	16.00%	12.84		
8	Price Proposal	88.15	30.00%	26.45		
9	Total		100.00%	86.82		
10	NoMad Transit LLC					2
11	Customer Experience	69.67	15.00%	10.45		
12	Service Feasibility Study	54.33	15.00%	8.15		
13	Communications Plan	62.50	12.00%	7.50		
14	Performance Plan	56.60	12.00%	6.79		
15	Business Plan	60.50	16.00%	9.68		
16	Price Proposal	100.00	30.00%	30.00		
17	Total		100.00%	72.57		

C. Price Analysis

The recommended price of \$28,874,748 by RideCo has been determined to be fair and reasonable based upon an independent cost estimate (ICE), competition, price analysis, technical evaluation, clarifications and negotiations.

Proposer	Proposal Amount	Negotiated Amount	Metro ICE
NoMad (Via)	\$25,909,721	N/A	\$28,500,000
RideCo	\$29,391,260	\$28,874,748	