

Transportation Committee

For the Metropolitan Council meeting of October 24, 2018

Subject: St. Paul and Minneapolis Transit Service Contract

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute contract 18P309 with Metropolitan Transportation Network, Inc. to provide regular route local and limited stop transit service from December 1, 2018, through July 31, 2020, in an amount not to exceed \$4,071,725.

Summary of Committee Discussion/Questions

John Harper presented this item. Paul Slattery with Teamsters Union 120 spoke in opposition to the business item based on the lack of a competitive procurement process for selecting the vendor. Councilmember Elkins asked why a competitive process was not used. Director Nick Thompson replied that a typical solicitation process takes about 10 months and a faster implementation timeline is needed on this work in order to maintain service levels. Thompson added that the long-term plan for these routes is to package them with several others into a larger contract package. The process of competitively procuring a multi-year contract for that package will begin next year.

Motion by Letofsky, seconded by Schreiber. Motion carried. CONSENT to Council.

Transportation Committee

Meeting date: October 8, 2018

For the Metropolitan Council meeting of October 24, 2018

Subject: St. Paul and Minneapolis Transit Service Contract

District(s), Member(s): 2 – Schreiber, 7 – Cunningham, 8 – Letofsky, 13 – Kramer, and 14 – Commers

Policy/Legal Reference: Council Policy 3-3 Expenditures – Procurement of Goods and Services over \$500,000

Staff Prepared/Presented: Nick Thompson, Director MTS (651) 602-1754

Gerri Sutton, Assistant Director of Contracted Transit Services (651) 602-1672

John Harper, Manager of Contracted Transit Services (651) 602-1744

Division/Department: Metropolitan Transportation Services

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute contract 18P309 with Metropolitan Transportation Network, Inc. to provide regular route local and limited stop transit service from December 1, 2018, through July 31, 2020, in an amount not to exceed \$4,071,725.

Background

The Council provides transit service both as directly operated service, under the Metro Transit division, and using contracted providers, under the MTS division. Lower productivity routes are assigned to MTS, often using smaller buses that can be operated at a reduced cost, in an effort to avoid route elimination. Periodically, Metro Transit reviews route performance to determine if routes should be reassigned to MTS as a way to retain the service for customers. Metro Transit approached MTS for assistance in maintaining service schedules through private provider contracts on four routes, with the MTS operations beginning in December.

Rationale

Metropolitan Transportation Network, MTN, approached Council procurement staff in June with an unsolicited offer to operate regular route service on behalf of the Council. MTN operates bus service for Hennepin County and various school districts across the region and has proposed on Council procurements over the past few years. Council staff saw the offer as an opportunity to help preserve scheduled service and to increase the pool of experienced vendors for future procurements.

In response to MTN's offer, Metro Transit and MTS compiled a set of services that would fit within MTN's offer and meet the need to reassign routes to MTS. MTN accepted that offer at an hourly rate that is commensurate with MTS' expectations, based on current hourly rates in other contracts.

Thrive Lens Analysis

This item supports various Thrive outcomes as follows:

- Stewardship – efficient and effective use of the public's financial resources.
- Sustainability – reducing the amount of air emissions produced by reducing the number of vehicles on the road.

- Prosperity – maintaining the transit system infrastructure which gives our region a competitive advantage over other regions and makes us more attractive to businesses and job creators.
- Livability – providing transportation options which enhances mobility and the quality of life in the region.

Funding

Funding for this service is budgeted in Metro Transit's annual operating budget.

Known Support / Opposition

No known opposition.