

Committee Report

Transportation Committee



Committee meeting date: July 14, 2025

For the Metropolitan Council: July 23, 2025

Business Item: 2025-179

St Paul and Anoka County (SPaAC) Transit Service, Contract 25P010

Proposed action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute contract 25P010 with Transdev North America for regular route service under the St. Paul and Anoka County contract in an amount not to exceed \$56,200,000.

Summary of Transportation Committee discussion/questions

Metropolitan Transportation Services Contracted Transit Service Manager John Harper presented this item and discussion followed.

Councilmember Chamblis asked about the evaluation process including competitiveness review and panel makeup. Harper explained the procurement process as it applied to this action. He explained that proposals in very large procurements must be reviewed by a multidisciplinary review panel, of five members in this procurement, to determine proposal of best value to the Council. He also shared the adequate competition review at a high level. Jody Jacoby, Chief Procurement Officer, joined the discussion and shared additional detail of that competitiveness and expectations of review panel makeup. She explained the procurement process that happens when there is only a single bid/proposal received and that with this procurement the competitiveness review did not uncover any restrictive elements, meaning solicitation again would likely not produce different results.

Councilmember Johnson spoke of acquisitions and consolidation in the transit provider industry that could reduce vendor availability and competition. Jacoby and Harper shared many details about Procurement and MTS efforts to expand competition for service contracts and limitations due to use of federal funds. Harper shared MTS' work to scope contracts in ways that increase competition for service. He also stressed that compared to freight transportation, passenger transit service carries more complexity and risk, and depends on qualified vendors.

Councilmember Cameron asked for specific ways contracts have been adjusted to increase competitiveness. Harper shared various examples of changes including moving from contractor-supplied to Council-supplied vehicles, adding minimum wage requirements for bus operators, mechanics, and reservationists, reviewing route mix in regular route contracts, and size and scope of service packages overall. Jacoby mentioned addition of Disadvantage Business Enterprise (DBE) to recent procurements.

Motion by Chamblis, seconded by Obisakin. Motion carried.

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District(s), member(s):	All
Policy/legal reference:	FM 14-2 - Expenditures for the Procurement of Goods, Services, and Real Estate Policy
Staff prepared/presented:	Charles Carlson, Executive Director MTS (651) 602-1761 Gerri Sutton, Director, Contracted Services (651-602-1672) John Harper, Manager, Contracted Transit Service (651-602-1744) Rebecca McBride Senior Project Administrator (651-602-1709)
Division/department:	Metropolitan Transportation Services (MTS)

Proposed action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute contract 25P010 with Transdev North America for regular route service under the St. Paul and Anoka County contract in an amount not to exceed \$56,200,000.

Background

The Metropolitan Transportation Services provides regular route transit service under contract with private companies. These services are competitively procured using a series of multi-year contracts which allows the opportunity for vendors to propose and operate transit service on behalf of the Council. This specific contract package includes service primarily in the east metro and Anoka County.

A Request for Proposals was issued on March 6, 2025. A pre-proposal meeting was hosted by Council staff that outlined the solicitation requirements, discussed project specifications, and responded to plan holder inquiries. There were twenty-one registered plan holders including nine prime proposers, three subcontractors, and eight plan holders identified as minority, woman, small or disadvantaged business enterprises. On April 16, 2025, the Council received one proposal for consideration of award. Staff did not find any indication that the Council's specifications were restrictive and determined there was adequate competition for this project.

An evaluation panel consisting of staff from Metropolitan Transportation Services, Metro Transit, and the Minnesota Department of Transportation evaluated the proposals using the following criteria: proposal quality, proposer's qualifications and experience, proposer's capabilities and ability to deliver the service, and proposal price.

The evaluation panel reached consensus that the proposal submitted by Transdev North America is advantageous to the Council and recommend for award. The proposal and contract structure allow the Council to adjust service during the term using pre-established rates. The value of the base service level is approximately \$46.9M and the requested contract value not to exceed \$56.2M allows for revenue hour increases of up to 20% as permitted by contract terms.

Rationale

The execution of a professional service contract exceeding \$500,000 requires Council approval.

Thrive lens analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, this item supports several outcomes. This service is provided in portions of the region otherwise not served by transit, which furthers Stewardship by increasing the average number of jobs reachable by transit and Equity by connecting additional residents to opportunities. Financial Stewardship is also furthered because this contract provides a lower cost solution for a lower productivity transit service.

Funding

Funding for this service is included in the annual operating budget.

Small business inclusion

The Office of Equity and Equal Opportunity (OEEEO) assigned a Disadvantaged Business Enterprise (DBE) goal of 2% for this solicitation. OEEEO determined that the firm being recommended for award has met the DBE requirements of this contract.

