

## Transportation Committee

Meeting date: July 27, 2020

For the Metropolitan Council meeting of August 12, 2020

**Subject:** East, West, Crosstown Transit Services, Contract 20P099

**District(s), Member(s):** All

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

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

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Bruce Dreier, Project Administrator Transit Services (651) 602-1708

**Division/Department:** Metropolitan Transportation Services (MTS)

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a contract with First Transit, Inc. to provide regular route transit service under the East, West, Crosstown contract 20P099, from December 5, 2020 through November 30, 2025, in an amount not to exceed \$29,468,600.

### Background

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 multiple vendors to propose on and operate transit service on behalf of the Council. This specific contract package includes peak-only service to downtown Minneapolis and St. Paul and all-day local service in Minneapolis and its suburbs.

A Request for Proposals was issued May 15, 2020. There were twelve (12) plan holders and two (2) proposals received on June 15, 2020. The two (2) proposals were received and evaluated by an evaluation panel consisting of staff from Metropolitan Transportation Services, Metro Transit, Dakota County and Scott County. Four criteria were used to evaluate the proposals: proposal quality, proposer's qualifications and experience, proposer's capabilities and ability to deliver the service, and proposal price. The evaluation panel recommended First Transit, Inc. as the proposer with the proposal most advantageous to the Council.

The proposal and contract structure allow the Council to adjust service during the term using preestablished rates. The value of the base service level is approximately \$ 24.9M and the requested contract value of \$29.5M allows for billable hour increases up to 20% as permitted by contract terms.

The Office of Equal Opportunity (OEO) reviewed and did not assign a Disadvantaged Business Enterprise (DBE) goal for this project based on the vendors in this market. To advance the Council's commitment to providing opportunity to underutilized

businesses, Procurement staff contacted transit providers to make them aware of the solicitation as part of due diligence efforts.

### **Rationale**

Procurement of Goods and Services over \$500,000 in value requires Metropolitan Council authorization.

### **Thrive Lens Analysis**

This item supports several *Thrive MSP 2040* outcomes. Routes included in this contract have comparatively low productivity and would not be viable under a directly operated cost structure. Thus, we are furthering Stewardship of limited financial resources. Equity is increased by connecting additional residents to opportunity.

### **Funding**

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

### **Known Support / Opposition**

There is no known opposition to this action.