

Date: OCT 16 2009

Memorandum



To: Honorable Chairwoman Barbara J. Jordan
and Members, Transit, Infrastructure and Roads Committee

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "G. Burgess", written over the printed name of George M. Burgess.

Subject: Response to Issues Considered at the June 16, 2009 Workshop
RE: Request for Proposals (RFP) for Special Transportation Services (STS)

On June 16, 2009, the Transit, Infrastructure and Roads Committee (TIRC) held a workshop to review a draft of the Request for Proposals for Special Transportation Services for Miami Dade Transit (MDT). Following review and discussion regarding the solicitation document, staff was directed to respond to a number of matters raised by Board members. In addition to the changes recommended and accepted by the TIRC, the following is a listing of staff responses to the issues raised at the meeting. A complete copy of the latest draft of the RFP is attached. Staff anticipates issuing the solicitation in October 2009.

Consumer Price Index (CPI) Adjustments

RFP Current Language (page 48, Article 8, Pricing):

"Prices shall remain firm for the initial twelve (12) months from the effective date of the Contract. Prior to the end of the initial twelve-month period and for each subsequent twelve-month periods thereafter, including any exercised optional or extended term, the County may consider an adjustment to the Contractor's price based on 1) changes upward or downward in the latest pricing index: Consumer Price Index (CPI), All Urban Consumers, All Items, Not Seasonally Adjusted, Miami-Fort Lauderdale, FL Area; or 2) a 3% upward adjustment, whichever is less. This adjustment will be in lieu of any other price adjustment, such as an adjustment for changes in the living wage rate or fuel escalation."

TIRC Workshop Comment:

Adjustments to the CPI were suggested to be considered every six months rather than every 12 months. Further, fuel adjustments should be considered separate from CPI adjustments, and price adjustments should occur under extraordinary circumstances. If an extraordinary event results in escalating prices beyond the cost projection, and if the Board has granted MDT additional funding to address the event, MDT will consider granting the STS vendor an additional, temporary adjustment for the period of time between such occurrence and the time of the normal annual review for a CPI adjustment.

Staff Response:

The County's Chief Economist recommended use of a combined index represented by the sum of 75% of the value of the CPI "All Items" index and 25% of the value of CPI "Private Transportation Index". He further added that this combined index would reflect year to year changes in fuel prices and other important cost factors for STS providers. He indicated there is more stability in using these combined indices.

Staff has deleted the language currently in the RFP (page 48, Article 8, Pricing). The following language has been added:

RFP Revised Language (page 47, Article 8, Pricing):

"Prices shall remain firm and fixed for a six-month period from the effective date of the Contract. Prior to the end of the initial six-month period and for each subsequent six-month period thereafter, including any option-to-renew or extensions thereof, the County will review price adjustments based on the combined index: Sum of 75% of the value of Consumer Price

Index (CPI)*-All Items and 25% of the value of CPI-Private Transportation. Any upward adjustments will not exceed 3% annually. This adjustment will be in lieu of any other price adjustment, such as an adjustment for changes in the living wage rate.

*The CPI data will be based on All Urban Consumers, Not Seasonally Adjusted, Miami-Fort Lauderdale, and FL Area.

Renewal Options

RFP Current Language (page 46, Article 5, Contract Term):

"The County, at its sole discretion, reserves the right to exercise the option to renew this Contract for two (2) additional two (2) year periods."

Staff Response:

In light of the above CPI adjustments, staff has deleted the current language on page 46, in Article 5 regarding Renewal Options. The following language has been added:

RFP Revised Language (page 45, Article 5, Contract Term):

"The County, in its sole discretion, reserves the right to exercise the option to renew for this Contract for one (1) additional five-year period unless the contractor notifies the County, at least one-year prior to the expiration of the initial term, that the average of the combined indices: Sum of 75% of the value of Consumer Price Index (CPI)-All Items and 25% of the value of CPI-Private Transportation, for the past four years, have increased beyond 3%. Upon receipt of this notification, the County will renegotiate the contract with the Contractor for the option-to-renew period. The re-negotiated contract for the option-to-renew period will be presented to the Board of County Commissioners for approval."

Vehicles –Fuel Efficiency

RFP Current Language (page 22, in Section 2.21.2, Vehicle Standards):

"The County prefers the selected Proposer use fuel efficient, hybrid, and environmentally friendly vehicles when available."

TIRC Workshop Comment:

A recommendation was made that the use of fuel efficient vehicles be encouraged and that the RFP state a standard for fuel efficient vehicles based on mileage.

Staff Response:

Staff contacted the U.S. Environmental Protection Agency (EPA) to identify a defined standard for fuel efficiency. The EPA does not provide a standard for fuel efficient vehicles. EPA tracks the fuel economy of vehicles and offers the range of mile per gallon/fuel economy of vehicles.

Staff has deleted the current language in the RFP on page 22, in Section 2.21.2, Vehicle Standards. To facilitate evaluation of proposed solutions for use of fuel efficient vehicles, the following language has been added:

RFP Revised Language (page 73, #F, in Criteria 3, Equipment and Facility):

"The County prefers, and encourages the selected Proposer to utilize fuel efficient vehicles to provide services. Proposers should describe their plans to utilize fuel efficient vehicles, and for replacing aging fleet used to serve STS clients."

Vehicles – Replacement Standard

RFP Current Language (page 22, in Section 2.21.2, Vehicle Standards):

“The age of vehicles shall be governed by the following criteria, and not exceed the following age at any given point in time during the contract period:

▪ All vehicles, with the exception of small buses.	5 model years
▪ Small buses which are over 22 feet but less than 30 feet in length and seat 15 or more but less than 29 passengers or are over 22 feet but less than 30 feet in length but are equipped to transport wheelchair customers.	7 model years”

TIRC Workshop Comment:

The standard for replacing service vehicles should be based on either the vehicle age limit or mileage limit, whichever comes first.

Staff Response:

Section 31-207(b) of the County Code restricts utilization of for-hire vehicles to no more than fifteen (15) model years; however, the Code does not address mileage limits. The Passenger Transportation Regulatory Division (PTRD) of the Consumer Services Department does not enforce mileage limits. PTRD conducts mandatory inspections annually on vehicles between one and two model years old, semi-annually on vehicles between three and four model years old, and quarterly on vehicles that are five models years in age or older. General Services Administration (GSA) does not retire vehicles solely based on age or mileage. GSA replaces fleet vehicles based on repair history and comparative cost analysis for repair versus purchase.

Staff has deleted the language currently in the RFP (page 22, in Section 2.21.2, Vehicle Standards) and replaced it with the following:

RFP Revised Language (page 21, in Section 2.21.2, Vehicle Standards):

“The service vehicles shall not exceed six (6) model years during the contract period.”

Deletion of Performance Incentive Language

TIRC Workshop Comment:

Staff was asked to confirm that deletions on page 20 (Section 2.20.2, Performance Incentives; 2.20.2.1, Call Taking; and 2.20.2.2, Complaint Ratio) are accurate and consistent.

Staff Response:

Staff reviewed the RFP and determined that these Sections and any references to them are deleted.

Condition for Contract Renegotiation

TIRC Workshop Comment:

TIRC members asked that language be included in the RFP to allow for re-negotiation of contract pricing in the event the Board makes a policy change regarding Special Transportation Services that significantly affects the scope of services.

Staff Response:

Staff recommends addition of the following language (page 45, in Article 4, Nature of the Agreement):

RFP New Language (page 45, # e in Article 4, Nature of the Agreement):

"The County may negotiate the contract scope, terms and price to address any significant material changes resulting from policy changes by the Board of County Commissioners."

RFP Evaluation Criteria

RFP Current Language (on page 40, in Section 4.2, Evaluation Criteria) Technical Criteria:

4. Approach to Providing the Services 200 Points

TIRC Workshop Comment:

Questions were raised regarding the points assigned for the "Approach" section of the evaluation criteria.

Staff Response:

Staff has deleted criterion number 4, Approach to Providing the Services, in its entirety and Approach to Providing the Services (on pages 74-76).

RFP Revised Language (page 39, in Section 4.2, Evaluation Criteria) Technical Criteria:

4. Service Plan and Capability 100 Points
5. Programs and Plans 100 Points

Approach to Providing the Services (on pages 74-76) is replaced by Attachment A (on pages 73-74).

RFP Price Proposals

RFP Current Language (page 77, in Section A, Proposed Price):

"The Proposer shall submit its pricing stated as a flat, fixed price per trip OR per vehicle hour which shall include all expenses to be paid under any contract issued as a result of this RFP."

TIRC Workshop Comment:

A TIRC Committee member recommended that the proposed price per trip and price per service hour be combined into one.

Staff Response:

Staff reviewed the price proposal form and concurs that requesting two types of pricing may result in disparate evaluation. Staff recommends amending the RFP to request price per trip only.

RFP Revised Language (page 75, Section A, Proposed Price):

"The Proposer shall state its price for providing all services as stated in Section 2.0 of this RFP. The Proposer shall submit its pricing stated as a flat, fixed price per trip which shall include all expenses to be paid under any contract issued as a result of this RFP."

Price Per Trip for each certified STS customer transported regardless of the number of persons in the vehicle, the mileage, and the time consumed.

Type of Trip	Price Per Trip	Estimated Number of Trips for the Initial Five (5) Year Contract Term	Extended Total Price
Ambulatory	\$	5,537,423	
Non-Ambulatory	\$	1,348,623	
Total			

Note: The estimated number of trips is based on past utilization and is an estimate only. The County does not guarantee that trips will surpass or even equal the estimated numbers specified within this solicitation. As such, the estimated numbers are not a guarantee, commitment, or a promise that in the future the County will guarantee any minimum quantity of service, percentage of service, or number of trips."

RFP Price Evaluation

RFP Current Language (page 40, in Section 4.5, Price Evaluation):

"The price proposal will be evaluated subjectively in combination with the technical proposal, including an evaluation of how well it matches Proposer's understanding of the County's needs described in this Solicitation, the Proposer's assumptions, and the value of the proposed services. The pricing evaluation is used as part of the evaluation process to determine the highest ranked Proposer. The County reserves the right to negotiate the final terms, conditions and pricing of the contract as may be in the best interest of the County."

TIRC Workshop Concern:

A question was raised by a TIRC Committee member as to the subjective evaluation of price in the solicitation.

Staff Response:

Staff has deleted the language in the RFP (on page 40, in Section 4.5, Price Evaluation) and replaced it with the following language:

RFP Revised Language (page 40, in Section 4.5, Price Evaluation):

"The price proposal will be assigned a maximum of four hundred (400) points per Evaluation/Selection Committee member. Price will be evaluated in the following manner:

1. The price proposal with the lowest total price will be given the full weight of points assigned to the price criterion.
2. Every other proposal will be given points proportionately in relation to the lowest price. This point total will be calculated by dividing the lowest price by the total price of the proposal being evaluated with the result being multiplied by the maximum weight for price to arrive at a cost score of less than the full score for price.

$$\text{Example: } \frac{\text{Lowest Price Proposed}}{\text{Proposer's Proposed Price}} \times \text{Total Points for Price} = \text{Price Score}$$

The application of the above formula will result in a uniform assignment of points relative to the criterion of price.

The pricing formula is used as part of the evaluation process to determine the highest ranked Proposer. The County reserves the right to negotiate the final terms, conditions and pricing of the contract as may be in the best interest of the County.”

Insurance and Performance Bond Coverage

RFP Current Language (on page 63, in Article 41, Performance and Payment Bond):
“The Bond(s) shall be in the amount \$1,000,000.00 ...”

TIRC Workshop Comment:

A TIRC member raised a question regarding the assignment of appropriate insurance and performance bond levels for the resultant contract.

Staff Response:

Staff recommends that Article 41 be amended to delete the requirement of a Performance Bond and to add language requiring the contractor to provide a Letter of Credit in the amount of 12.5% (45 days) of the yearly contract value.

The Risk Management Division of General Services Administration has established the following insurance coverage (page 48, in Article 10, Indemnification and Insurance):

- A. Worker's Compensation Insurance for all employees of the vendor as required by Florida Statute 440.
- B. Public Liability Insurance on a comprehensive basis in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage. Miami-Dade County must be shown as an additional insured with respect to this coverage.
- C. Automobile Liability Insurance covering all owned, non-owned and hired vehicles used in connection with the work, in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage.

RFP Revised Language (page 62, Article 41, Letter of Credit):

“The Contractor shall furnish a Letter of Credit (LOC) in an amount of in the amount of 12.5% (45-days) of the yearly contract value.

The LOC shall be on forms provided and/or approved by the County. Said LOC shall be drawn on a financial institution authorized to do business and with offices in the State of Florida. Provisions of the LOC shall not limit, in any way, any liability of the Contractor to the County.

The Contractor may in lieu of an irrevocable letter of credit, submit a cash bond, conditioned upon the faithful performance of the work in strict accordance with this Contract and with the Plans and Specifications and the completion of the same free from all liens and within the time limit herein specified.”

Logistical Service Considerations

TIRC Workshop Comment:

A TIRC member recommended that appropriate provisions be included in the RFP for the selection committee to examine various logistical service considerations.

Staff Response:

The Proposer's specific plan and procedures to coordinate services to achieve efficiencies and additional coordination strategies to achieve or exceed performance standards goals are being requested as part of the Proposer Information (on page 73, #C, in Criteria 4, Service Plan and Capability) of the RFP.

RFP Information Technology Requirements

RFP Current Language (page 12, Section 2.15.3i):

"The selected Proposer shall provide at least two (2) intermediate-level computer users, primary and backup, as trainers who will be responsible for the Computer System training to the selected Proposer's personnel, after the initial training provided by the County or its software vendor. The selected Proposer's trainers shall also be responsible for training any new selected Proposer's personnel and any refresher training for personnel on the Computer System, deemed necessary by the selected Proposer or the County. After the initial Computer System training provided by the County, the selected Proposer shall be responsible for all costs associated with any additional training by the County, third-party vendors, and/or any other computer related training."

RFP Current Language (page 11, Section 2.15.2i):

"The County will provide the Computer System and software support to the selected Proposer. Support will be provided as possible solutions, based on the selected Proposer's description of the problem, or arrange for assistance from an authorized maintenance-service representative."

TIRC Workshop Comment:

A TIRC member recommended that the County require the contractor to provide an Information Technology (IT) Manager, and that the cost for maintaining the contractor's IT equipment should be the contractor's responsibility.

Staff Response:

Section 2.15.3 (on page 12 of the RFP) includes language requiring the contractor to provide at least two intermediate-level computer users as points of contact for IT support. The contractor is responsible for providing, installing, and maintaining its IT equipment and Internet Communications to the County's Computer System.

Staff recommends deleting Section 2.15.2i (on page 11 of the RFP) in its entirety and replacing by revised language.

RFP Revised Language (page 11, Section 2.15.2i):

"The County will provide and maintain the County managed Trapeze Computer System (used for reservation, scheduling, routing, and dispatching) and will provide software support for this system."

Audited Financial Statements

TIRC Workshop Comment:

A TIRC Committee member inquired if audited financial statements are requested in the RFP.

Staff Response:

Audited financial statements are being requested as part of the Proposer Information (on page 72, #A in Criteria 2, Financial Capability) of the RFP.

Honorable Chairwoman Barbara J. Jordan
and Members, Transit, Infrastructure and Roads Committee
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Should you have any questions regarding the Request for Proposals language, please contact Miriam Singer, Director, Department of Procurement Management at 305-375-5502.

Attachment

c: Honorable Carlos Alvarez, Mayor
Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners
Denis Morales, Chief of Staff, Office of the Mayor
Ysela Llort, Assistant County Manager
Harpal Kapoor, Director, Miami-Dade Transit
Miriam Singer, Director, Department of Procurement Management

ATTACHMENT A

4. Service Plan and Capability

- A. Provide the Proposer's detailed plan for transition and service start-up from the present Contractor identifying timelines and duration for specific key tasks. This plan should include, but not be limited to:
- i. specifying with details if the Proposer plans to provide parallel reservation, scheduling, and/or dispatch operations with the present Contractor;
 - ii. describing how the transition will impact existing reservations, scheduling, and transportation functions; and
 - iii. describing the installation, testing, and operation of technology hardware and software, AVL/GPS equipment and Mobile Data Terminals or comparable technology.
- B. Describe the Proposer's detailed plan and capacity to have at least 98% of its vehicles ready and fully operational with AVL/GPS equipment and Mobile Data Terminals at least 30 days prior to start of services.
- C. Describe, at minimum, the Proposer's detailed plan and procedures to:
- i. comply with all STS Program requirements,
 - ii. coordinate services to achieve efficiencies and explore additional coordination strategies,
 - iii. establish and maintain relationships with carriers, if utilized,
 - iv. achieve or exceed the performance standards goals,
 - v. ensure professionally effective and productive use and management of information technology hardware and software of the Proposer and of the County,
 - vi. ensuring data accuracy, and
 - vii. meet the transportation standards.
- D. Describe the Proposer's plan to provide efficient vehicle scheduling for services.
- E. Describe how the Proposer will handle communications with multi-lingual Customers, (such as Spanish and French/Creole speaking) to provide service to such clients.
- F. Identify if Proposer has taken any exception to the terms of this Solicitation. If so, indicate what alternative is being offered and the cost implications of the exception(s).

5. Programs and Plans

- A. Describe the Proposer's training program for this project; include course names, course descriptions, length, and instruction methods. Detail the Proposer's training process, the frequency of follow-up training, additional training, re-training plans, and any circumstances that would warrant re-training. The training program courses should include, but not limited to:
- i. defensive driving training,
 - ii. understanding the American with Disabilities Act as it relates to the project,
 - iii. Passenger Assistance Techniques (PAT) or equivalent training,
 - iv. uniform policies,
 - v. expectations of driver conduct,
 - vi. basic computer Windows training, and
 - vii. policies and procedures of the STS Program for each position category.

