



# Transit Operations & Maintenance Contract

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Pre-Proposal Information Session

January 24, 2023

# Agenda

- **Welcome**

- Introduction of Key Staff
- Project Goals & Contract Approach
- Procurement Timeline

- **Review**

- Scope of Services
- Evaluation Criteria
- Price Proposal
- Submittal Requirements/Process

- **Administrative Issues**

- Transition
- Insurance
- Bid Bonds

- **DBE Program**

**11:30 – 1:00 PM**

“Meet the Primes” event for S/DBE firms

**1:30 – 3:30 PM**

Operations & Maintenance Facility Tours

**Issuing Officer:**

Tom Devlin, City of Durham

**Project Manager:**

Brian Fahey, City of Durham

**Procurement Advisors:**

Jamie Kendrick, Mead & Hunt  
Megan Matheny, RLS & Associates  
Ken Weeden, KWA & Associates

# Procurement & Contract Goals

## The City of Durham is seeking a partner to:

- Deliver best-in-class service to our residents, visitors and workers.
- Assist the City in achieving a zero emissions fleet by 2035.
- Grow services by at least 30% during the contract term.

## Key Contract Elements

- 5 years plus two one-year renewals.
- Flexibility in winding down Durham City Transit Corp.
- Anticipated \$130 - \$160 million budget.
- Allowances to protect against Contractor risks and jointly solve challenges.
- Encouraged to maintain DCTC staffing

# Procurement Timeline

Event	Target Date
Release Draft Request for Proposals	January 10 <sup>th</sup>
<b>Pre-Proposal Information Day</b> <ul style="list-style-type: none"> <li>• <b>Information Session, Q&amp;A</b></li> <li>• <b>“Meet the Primes” for S/DBE firms</b></li> <li>• <b>Operations &amp; Maintenance Facility Tour</b></li> </ul>	<b>January 24<sup>th</sup></b>
First Round of Questions Due	January 27 <sup>th</sup>
Final Addendum	February 21 <sup>st</sup>
Proposals Due	March 1 <sup>st</sup>
Finalist Interviews (if necessary)	March 13 <sup>th</sup> /14 <sup>th</sup>
Notice of Intent to Award	March 20 <sup>th</sup>
City Council Presentation	April 6 <sup>th</sup>
Award & Notice to Proceed	Early May
Contract Begins	July 1 <sup>st</sup>

*The City recognizes that this is an aggressive timeline. To minimize and mitigate schedule risk:*

- *Pre-solicitation An extensive library of background documents is provided at [www.meadhunt.com/godurham](http://www.meadhunt.com/godurham)*
- *Rolling Q/A*
- *All-electronic submittals*

# Administrative

- Proposals are electronic via secure folder on Sharepoint.
- Reading room remains available at [www.meadhunt.com/godurham](http://www.meadhunt.com/godurham)
- Binding “reference documents” are on City procurement site.
- Bid bond is required at 50% of first year price for Revenue Service Hour payments.
- Insurance certificates do not have to be provided.
- Must sign DBE commitment to comply. Not required to name every firm at this time; technical evaluation will note the extent to which DBEs are integrated into the Contractor’s team.
- Sample contract to be provided at Addendum #1; generally, a build up documents already provided.
- Firms may submit alternative language on contract items which will be considered at time of award; advance approval may be requested for go/no go issues.

# Questions & Answers

- Please ask today.
- Submit to [Tom.Devlin@durhamnc.gov](mailto:Tom.Devlin@durhamnc.gov) with a copy to [godurham@meadhunt.com](mailto:godurham@meadhunt.com).
- You may attach redlines, mark-ups, etc. for ease/clarity to accompany questions.
- Please use rating system for questions.
- Rolling Q/A until February 10

## Category

- 1 Go/No Go Issue**
- 2 Significant Issue** that will affect price proposal or may become go/no go issue when considered with other matters.
- 3 Material issue** but not 1 or 2.
- 4 Minor clarification**

# Transition Issues

At the end of the present contract with the incumbent management company, DCTC can be dissolved, transferred to the City, or assigned to the incoming Contractor. With the City's aggressive schedule to award this Contract, it is likely that certain wind-down activities will extend beyond July 1, 2023, such as asset transfer, unresolved warranty and insurance claims, assignment of the Collective Bargaining Agreement, and other matters. For this question, the City will not evaluate the preferred corporate structure *per se*; rather the City is interested to know the approach of the Offeror assist with an orderly transfer.

# Scope of Services

## Structure of Requirements

- RFP describes responsibilities of Contractor not detailed processes and procedures.
- Contractor submits 16 plans (post-award or post-NTP) for contract implementation and is expected to deliver on those plans.
- Accountability is through performance measures tied to incentives/penalties
  - ✓ Revenue Service Hours Delivered
  - ✓ Preventive Maintenance
  - ✓ ADA Compliance
  - ✓ Vehicle & Bus Stop Cleanliness
  - ✓ Preventable Crashes
  - ✓ On-Time Performance

## Transit Service to Be Provided

### Section 7

- 261,000 hours rising to 295,000 by FY28
- Pulse System with 15 – 60-minute headways
- 20 routes
- 7 days week/364 days per year
- Builds from Durham Transit Plan
  - ✓ Extended and new routes
  - ✓ Increased frequency
  - ✓ Longer span of services



# Scope of Services

## Labor & Personnel

### Section 8

- Key Personnel: General Manager, Asst. General Manager(s), Operations Manager, Maintenance Manager, Customer Service Manager
- Collective Bargaining Agreement
- 13(c) Requirements & Non-Union Personnel
- Allowance for Accrued Time Off
- Employee training with emphasis on customer service
- Pension transfer with City to pay any underfunding.

## Revenue Vehicles

### Section 9

- Fleet plan provided in reading room.
- Preventive and routine maintenance requirements described.
- Contractor shall submit a revenue fleet maintenance plan to monitor and maintain vehicles and on-board technologies.
- Only subcontractors approved by city can be used for maintenance.
- Provide support for vehicle commissioning and decommissioning.

# Scope of Services

## Fuel, Fueling & Support Vehicles

### Section 10

- City to provide diesel fuel; contractor will maintain and monitor fueling equipment except for underground storage tanks.
- City to pay electricity costs; Contractor to provide electric vehicle charging plan.
- City will provide and maintain service and support vehicles.

## Operations & Maintenance Facility

### Section 11

- Prepare maintenance facility plan within 30 days after start-up; responsibilities detailed in RFP.
- Perform routine and preventive building maintenance; work with City on major repairs through OMF allowance.
- Contractor responsible for many of common areas.
- Contractor responsible for all utilities except electricity.

# Scope of Services

## Passenger Facilities

### Section 12

- Maintain 900+ bus stops with three tiers of maintenance activity depending on stop usage.
- Initial push to update bus stop signs, maps, schedules, etc.
- \$75,000 reimbursement for maintaining bus stops in Year 1, \$50,000 in all other years.
- Durham Transit Center exterior rehabilitation set to begin June 2024.

## IT & Communications

### Section 13

- Maintain machines, software, licenses, and network infrastructure and services, insofar as the Contractor deems necessary.

# Scope of Services

## Customer Service & Marketing

### Section 14

- Develop and implement annual customer service and marketing plan in coordination with City.
- Review and respond to customer and public inquiries within 5 business days.
- Issue service alerts to customers and distribute customer service information.
- Staffing for Durham Station and select call center hours.
- At least one Spanish-speaking representative.

## Safety, Security, and Emergency Management

### Section 15

- Designate Chief Safety Officer.
- Adhere to or amend Public Transit Agency Safety Plan.
- Participate in local and regional planning for emergency response.
- Off-duty police officer must be at Durham Station from 15 minutes before first departure of day to 15 minutes after last departure.

# Scope of Services

## Fare Collection (Optional Service)

### Section 16

- Fare collection is currently suspended
- Contractor shall provide Fare Implementation Plan if it resumes
- City shall provide fare collection equipment and upgrades if necessary
- Contractor shall maintain fare collection mechanisms and count cash fares

## Transition & Start of Service

### Section 17

- Transition Plan outlined as part of proposal and detailed upon Notice of Intent to Award
- Status and condition of all vehicles, equipment, and facilities inspected jointly
- \$200,000 permitted to contractor for transition expenses
- Contractor shall certify ability to provide all services or provide corrective action plan to address any issues

# Scope of Services

## Performance Standards – Incentives and Liquidated Damages

### Section 18

- Performance Standards Reporting Plan shall be submitted to city at the start of service
- Liquidated damages provided for City's potential losses related to vehicle life, additional performance oversight
- Performance Standards shall be jointly evaluated at the start of each contract year
- Table of performance incentives with incentives capped at 1.5% of revenue service hour payments

## Management Plan & Reporting Requirements

### Section 19

- Management plans shall be provided at specified times
- Provide electronic document management system
- Support NTD reporting

Indicator	Basis of Measurement	Begins	Incentive	Liquidated Damages
Preventative Maintenance Inspections	Total PMs Due	Day 1	\$1,500 per month that all preventative maintenance due during the month was performed at the required interval.	\$500 per instance where a preventative maintenance was not performed in the required interval
ADA Compliance	Observation	Day 1	None	\$100 per instance if a wheelchair ramp or kneel feature does not function when needed while the bus is in Revenue Service when requested by a customer; \$100 per trip where the voice annunciator system is not working correctly; \$250 per instance where Bus Operator behavior causes a violation of ADA requirements.
Vehicle Cleanliness	Observation	Day 1	None	\$50 for each Revenue Vehicle placed in Revenue Service in violation of vehicle servicing requirements in Section 9.8.
Bus Stop Cleanliness	Observation	Day 60	None	\$100 for each instance of a Type A Bus Stop not in compliance with the Passenger Facilities maintenance and upkeep standards defined in defined in Section 12.2; \$50 for each instance of a Type B or C Bus Stop.
Preventable Vehicle Crashes per 100,000 miles	(# of preventable vehicle crashes / Total fleet miles) x 100,000	Day 90	\$1,000 per month when preventable crashes are less than or equal to .9 per 100k miles	\$1,000 per preventable crash more than 1.1 per 100k miles

Indicator	Basis of Measurement	Begins	Incentive	Liquidated Damages
On-Time Performance	Systemwide: # of on-time arrivals at Durham Station / Total # of arrivals at Durham Station. On time is considered no more than 4 min, 59 sec late.	Day 60	\$1,000 per percentage point or fraction thereof when on-time performance at Durham Station is greater 97%	\$1,000 per percentage point or fraction thereof when on-time performance at Durham Station is less than 94%
	Route Level On-Time Performance	Day 90	\$500 per route exceeding 90% on-time performance on weekdays only.	\$1000 per route with less than 75% on-time performance
Revenue Service Hours Delivered	# of actual bus revenue hours operated / # of Budgeted Revenue Service Hours.	as described	\$2,000 per percentage point or fraction thereof when Revenue Service Hours delivered is greater than 90% in months 1 - 3 of the contract	\$1,000 per percentage point or fraction thereof when Revenue Service Hours delivered is less than 87% in months 1 - 3 of the contract
			\$1,500 per percentage point or fraction thereof when Revenue Service Hours delivered is greater than 93% in months 4-6 of the contract	\$1,500 per percentage point or fraction thereof when Revenue Service Hours delivered is less than 90% in months 4-6 of the contract
			\$1,000 per percentage point or fraction thereof when Revenue Service Hours delivered is greater than 96% in months 7 - 9 of the contract	\$2,000 per percentage point or fraction thereof when Revenue Service Hours delivered is less than 93% in months 7 - 9 of the contract
	All trips provided as scheduled		None	\$50 per missed trip beginning on the first day of the 10 <sup>th</sup> month of the Contract.



Indicator	Basis of Measurement	Begins	Incentive	Liquidated Damages
<b>Customer Service</b>	# of customer complaints that are "closed" within 5 business days / Total # of customer complaints received	Day 1	\$1,000 per percentage point or fraction thereof when rate is greater than 95%	\$1,000 per percentage point or fraction thereof when rate is less than 85%
<b>Management Plans</b>	Days from required Submittal	Notice to Proceed	None	\$50 per Day for each Management Plan not submitted on or before the due date.

# Evaluation Process



# Key Evaluation Considerations

## Core Criteria

Qualifications and Experience  
Key Personnel & Organizational Structure  
Approach to Providing Services  
Safety

## Differentiators

Customer Service & Marketing  
Asset Management  
Transition Plan

“Specific Areas of Interest” will be distinguishing within each category.

# Scoring

**Outstanding** – the proposal clearly demonstrates an understanding of the City’s goal(s) for the area of evaluation; demonstrates a well-resourced and thorough technical approach to the area of evaluation; identifies resource or process redundancies to mitigate potential operational, technical, or administrative risks; and/or provides several elements of added value to meet the requirements.

**Exceeds Requirements** – the proposal clearly demonstrates an understanding of the City’s goal(s) for the area of evaluation and demonstrates a well-resourced and thorough technical approach in this area of evaluation and presents some specific elements to the technical approach that may add value to meeting the requirements.

**Meets Requirements** – the proposal indicates an understanding of all technical requirements and demonstrates sufficient resources and technical approach to meet the City’s goals in this area of evaluation.

**Marginally Acceptable** – the proposal meets most of the technical requirements but may have a one or two material weaknesses that could be mitigated or improved through clarification of intent, further explanation, or minor adjustment to the technical approach.

**Unacceptable** – the Offeror does not provide sufficient information for evaluation or contains several material weaknesses that cannot be reasonably or reliably mitigated or improved without a significant change of approach by the Offeror.

# DBE Program

# DBE Program

- 7.96% goal
- Commitment to Comply must be submitted with proposal; submit periodic reports on progress.
- DBE's must be registered in North Carolina
- City encourages diversity of involvement by DBEs.
- May not transfer personnel to DBE for purpose of meeting goal without advance approval.
- City encourages small business participation