



**Massachusetts Bay
Transportation Authority**

The RIDE Dedicated Service Provider Procurement

Fiscal and Management Control Board

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Summary

This presentation will cover:

- An overview of The RIDE's dedicated service provider procurement process and a discussion of the results
- The selection committee's recommendation to move forward with the selected vendors
- A checklist to track The RIDE's transition to these new contracts

FMCB action is required to authorize the execution of contracts with the proposed vendors.



A rigorous process was followed to select the best set of bidders

- Bidders **proposed on an amount of work** vs. geographic areas / zones in the past
- Bidders had **option to submit bids** for 20%, 30%, 40%, and/or 50% of the total work (service levels)
- Committee **evaluated each bidder** and their proposed service level(s)
- Committee **evaluated all possible scenarios** (combinations of bids)
- The selected scenario was then **identified using a best-value trade-off analysis**



Example evaluation process

5. Committee Performs Best Value Trade-Off and Selection

		Service Level Combination	Bidders	Combined Technical Capability	Overall Cost to Provide Service
Combination	3	40/40/20	C/D/A	3.4	\$ 45.5M
	5	40/30/30	C/B/D	4.0	\$ 53.9M
	11	50/30/20	D/B/A	3.3	\$ 41.0M
	13	50/50	B/D	3.0	\$ 41.2M

1. Bidders Submit Bids for Service Level(s)

		Service Levels			
		20%	30%	40%	50%
Bidders	A	✓			
	B		✓	✓	✓
	C		✓	✓	
	D	✓	✓	✓	✓

4. Committee Analyzes All Possible Combinations of Bidders and Service Levels

		Service Level Combination	Bidders	Combined Technical Capability	Overall Cost to Provide Service
Combinations	1	40/40/20	B/C/D	3.8	\$ 55.3M
	2	40/40/20	B/C/A	3.6	\$ 54.5M
	3	40/40/20	C/D/A	3.4	\$ 45.5M
	4	40/40/20	B/D/A	3.2	\$ 44.0M
	5	40/30/30	C/B/D	4.0	\$ 53.9M
	6	40/30/30	B/C/D	3.8	\$ 56.9M
	7	40/30/30	D/B/C	3.6	\$ 54.7M
	8	50/30/20	B/C/D	3.5	\$ 57.7M
	9	50/30/20	B/C/A	3.3	\$ 56.9M
	10	50/30/20	B/D/A	3.3	\$ 45.5M
	11	50/30/20	D/B/A	3.3	\$ 41.0M
	12	50/30/20	D/C/A	3.3	\$ 45.6M
	13	50/50	B/D	3.0	\$ 41.2M

2. Committee Performs Technical Evaluation and Scoring

		Service Levels			
		20%	30%	40%	50%
Bidders	A	3.0			
	B		4.0	3.5	3.0
	C		4.0	4.0	
	D	4.0	4.0	3.0	3.0

3. Committee Performs Pricing Evaluation

		Service Levels			
		20%	30%	40%	50%
Bidders	A	\$50			
	B		\$80	\$75	\$70
	C		\$100	\$80	
	D	\$55	\$50	\$45	\$40



A best value trade-off selected our recommended set of bidders

- **4 Bidders** submitted **10 eligible proposals**, creating **12 scenarios**
- Selected scenario:
 - **Technical: 3.76**
 - **Cost*: \$503.7M (Base)
\$210.5M (Options)**
- Ranked **#1 in technical score**
- Cost is only 0.2% more but technical score is 5% higher than next best scenario

national express | *transit*

- Current, long-term RIDE provider
- Provides paratransit services nationwide



- Long history of providing paratransit
- Nationwide paratransit provider for major transit agencies

VTS Veterans Transportation Service

- Current, long-term RIDE provider
- Provides a diversified set of transit services

**The selection committee unanimously recommends National Express (50%),
MV Transportation (30%), and Veterans Transportation (20%)**

* Costs shown are weighted costs used for pricing evaluation only; board vote is for not-to-exceed costs based on high scenario of service hour forecast



Introducing our newest vendor: MV Transit

Procurement Evaluation Information

- Highest technical score and lowest price for 30% of service
- Visited MV paratransit operations for SEPTA (Philadelphia) and MTA (NYC)



Key Benefits of Proposal

- More than 200 operating contracts providing transportation across the US
- 3 current contracts in the Commonwealth of Massachusetts (Cape Cod and Lowell RTAs and Uber)
- 44 years of experience in paratransit management and operations
- Established national accounts with vehicle manufacturers and parts dealers
- Technology-driven approach for driver monitoring and performance compliance review
- Extensive regional corporate support team to provide ongoing guidance



A checklist has been created to track transition readiness

- Complete Facilities Planning Process
- Have vendor mobilization teams on site and MBTA support staff assigned
- Complete the software implementation and ensure service is stabilized
- Set up all required new facilities
- Retain, hire, onboard, and train personnel (management staff and drivers)
- Deliver and fit-out of new paratransit vehicles required for service
- Provide ongoing communication to all stakeholders (existing vendors, R-TAG, communities)
- Ensure customers are informed about and ready for the transition

The vendor transitions will not occur until all items on the checklist are complete



Board Vote Recap

- **Three separate contracts**, one with each of the three selected vendors
- Costs shown previously are **weighted costs used for pricing evaluation**
- Anticipated costs are based on middle scenario of service hour forecast
- Board vote is for not-to-exceed costs based on high scenario of service hour forecast*

Cost	Base	Options	Total
Pricing Evaluation	\$503.7M	\$210.5M	\$714.2M
Anticipated	\$502.0M	\$209.8M	\$711.8M
Board Vote / Not-to-Exceed	\$607.2M	\$257.2M	\$864.4M

Vendor	Not-to-Exceed Cost	
	Base	Options
NEXT	\$293.2M	\$128.7M
MV	\$176.9M	\$70.9M
VTS	\$137.1M	\$57.5M
Total	\$607.2M	\$257.2M

* Forecast is variable due to multiple factors including: the introduction of a new software system, the use of non-dedicated service providers, overall trends in public transit ridership, and demographic changes



The RIDE Dedicated Service Provider Vote: National Express

VOTED: That the Fiscal and Management Control Board (the “FMCB”) hereby authorizes the General Manager or his designee to execute a contract, on behalf of the Authority, with **National Express Transit Corp.** in an amount not to exceed **\$293,181,859**, in a form approved by the General Counsel, with a term to begin upon execution and to provide dedicated paratransit service for The RIDE for the period **January 1, 2020 through June 30, 2025**.

VOTED FURTHER: That the General Manager is hereby authorized to take any steps deemed necessary and appropriate, to extend the above-referenced contract pursuant to two one-year option periods described in said contract, that may be unilaterally exercised by the Authority, for the period **July 1, 2025 through June 30, 2026**, at an annual cost not to exceed **\$62,143,008** for Option Year One and for the period **July 1, 2026 through June 30, 2027** at an annual cost not to exceed **\$66,578,472** for Option Year Two.



The RIDE Dedicated Service Provider Vote: MV Transportation

VOTED: That the Fiscal and Management Control Board (the “FMCB”) hereby authorizes the General Manager or his designee to execute a contract, on behalf of the Authority, with **MV Transportation, Inc.** in an amount not to exceed **\$176,875,234**, in a form approved by the General Counsel, with a term to begin upon execution and to provide dedicated paratransit service for The RIDE for the period **January 1, 2020 through June 30, 2025**.

VOTED FURTHER: That the General Manager is hereby authorized to take any steps deemed necessary and appropriate, to extend the above-referenced contract pursuant to two one-year option periods described in said contract, that may be unilaterally exercised by the Authority, for the period **July 1, 2025 through June 30, 2026**, at an annual cost not to exceed **\$34,883,620** for Option Year One and for the period **July 1, 2026 through June 30, 2027** at an annual cost not to exceed **\$36,065,093** for Option Year Two.



The RIDE Dedicated Service Provider Vote: Veterans Transportation

VOTED: That the Fiscal and Management Control Board (the “FMCB”) hereby authorizes the General Manager or his designee to execute a contract, on behalf of the Authority, with **Veterans Transportation, LLC** in an amount not to exceed **\$137,130,549**, in a form approved by the General Counsel, with a term to begin upon execution and to provide dedicated paratransit service for The RIDE for the period **January 1, 2020 through June 30, 2025**.

VOTED FURTHER: That the General Manager is hereby authorized to take any steps deemed necessary and appropriate, to extend the above-referenced contract pursuant to two one-year option periods described in said contract, that may be unilaterally exercised by the Authority, for the period **July 1, 2025 through June 30, 2026**, at an annual cost not to exceed **\$27,991,164** for Option Year One and for the period **July 1, 2026 through June 30, 2027** at an annual cost not to exceed **\$29,543,292** for Option Year Two.



Appendix



Bidder Overview



Procurement Evaluation Information

- Highest technical score and lowest price for 50% of service
- Visited NEXT paratransit operations for WMATA (Washington D.C.) and existing MBTA location

Key Benefits of Proposal

- Current long-term provider for The RIDE
- Extensive experience providing transportation across the entire US, including paratransit service in Chicago, Washington D.C., and New York
- Comprehensive corporate technology toolkit that further enhances operations
- Professional subject matter experts throughout its corporate support



Bidder Overview

Procurement Evaluation Information



- 2nd highest technical score, highest price for 20% of service
- Visited multiple sites of existing paratransit operations for MBTA

Key Benefits of Proposal

- Current long-term provider for The RIDE
- Provide multiple transportation services within the Commonwealth of Massachusetts
- Unique, data-driven approach to driver staffing and scheduling
- Multiple custom tools, reports, and procedures to drive performance



Costs are in-line with MBTA expectations

Scenario	Average Cost / Year	Total Cost (7.5 years)	Remaining Option Years (1.5 years)
Extend Existing Contracts for FY20 and FY21	\$96.4M	\$723.1M	\$139.1M
Rebid Contracts (RIDE Proforma estimate)*	\$92.4M	\$692.6M	\$133.1M
NEXT 50% / MV 30% / VTS 20%	\$94.9M	\$711.8M	\$129.9M

* Estimate conducted prior to procurement and assumes a new contract state date of 1/1/2020. FY20 budget was based on this estimate. New contracts are expected to be \$0.5M below the FY20 RIDE Proforma estimate and associated budget if start date does not change.



A best value trade-off process produces strong results

- **4 Bidders** submitted **10 eligible service level bids**
- **12 possible combinations** of bidders and service levels were identified
- **3 top combinations** were identified after taking into consideration that procurement guidelines consider technical score more important than price
- **1 combination was selected** after conducting a best value trade-off:

	Scenario	Technical Score	Average Cost / Year	Base (5.5 years)	Options (2 years)
1	NEXT 50% / MV 30% / VTS 20%	3.76	\$95.2M	\$503.7M	\$210.5M
2	NEXT 50% / MV 30% / GLSS 20%	3.58	\$95.0M	\$503.3M	\$209.3M
3	MV 40% / GLSS 30% / VTS 30%	3.29	\$94.6M	\$504.7M	\$204.6M

The selection committee unanimously recommends National Express (50%), MV Transportation (30%), and Veterans Transportation (20%)

