



**Massachusetts Bay  
Transportation Authority**

# The RIDE Dedicated Service Provider Procurement

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Fiscal and Management Control Board

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# Summary

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This presentation will cover:

- Update on The RIDE's dedicated service provider procurement process since last board vote
- The selection committee's recommendation to move forward with the selected vendors

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



## Update Since Last Board Vote

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- On September 23, the Board approved awards to National Express, MV Transportation, and Veterans Transportation
- RIDE team moved forward to complete contracts and plan for implementation
- MV withdrew their bid
- Committee reconvened to review remaining scenarios after MV withdrew from the process
- The selected scenario was identified using a best-value trade-off analysis



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

- National Express for 50% and Veterans Transportation for 50%
- Selected scenario:
  - **Technical: 3.48**
  - **Cost\*: \$505.3M (Base)  
\$214.8M (Options)**
- Cost is **\$9.4M** less for only **0.04** lower technical score than the next best scenario

### **national express.** | *transit*

- Current, long-term RIDE provider
- Provides paratransit services nationwide
- Extensive corporate support

### **VTS** Veterans Transportation Service

- Current, long-term RIDE provider
- Provides a diversified set of transit services
- Innovative approach to staffing and scheduling

**The selection committee unanimously recommends National Express (50%) and Veterans Transportation (50%)**

\* 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



## As a reminder...a transition readiness checklist has been created

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- 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

- **Two separate contracts**, one previously awarded to NEXT. Board vote only needed for VTS at 50%
- 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	\$505.3M	\$214.8M	\$720.1M
Anticipated	\$503.9M	\$214.3M	\$718.2M
<b>Board Vote / Not-to-Exceed</b>	<b>\$600.5M</b>	<b>\$258.6M</b>	<b>\$859.1M</b>

	Base	Options
NEXT	\$293.2M	\$128.7M
<b>Total</b>	<b>\$600.5M</b>	<b>\$258.6M</b>

\* 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: Veterans Transportation

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**VOTED:** That the Fiscal and Management Control Board 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 **\$307,254,440**, 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 **\$63,174,379** for Option Year One and for the period **July 1, 2026 through June 30, 2027** at an annual cost not to exceed **\$66,714,771** for Option Year Two.



# Appendix



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

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- 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**



## 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
NEXT 50% / MV 30% / VTS 20% (Anticipated)	\$94.9M	\$711.8M	\$129.9M
NEXT 50% / VTS 50% (Anticipated)	\$95.8M	\$718.2M	\$128.5M

\* Remaining Option Years are half of FY20 and all of FY21.



## A best value trade-off process produces strong results

- **3 Bidders** submitted **7 eligible service level bids**
- **3 possible combinations** of bidders and service levels were identified
- **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% / VTS 50%	3.48	\$96.0M	\$505.3M	\$214.8M
2	NEXT 50% / VTS 30% / GLSS 20%	3.52	\$97.3M	\$513.2M	\$216.4M
-	NEXT 50% / GLSS 30% / VTS 20%	3.38	\$96.9M	\$511.6M	\$215.1M

\* Scenarios are listed based on the order of the best-value trade-off analysis. The scenario with lowest technical score and highest cost was removed in the trade-off analysis.

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

