



Meeting of the Operations and Oversight Committee

Thursday, August 10, 2017 • 10:00 a.m.
2nd Floor Board Room • 509 E. 18th Street, Norfolk, VA

A meeting of the Operations and Oversight Committee will be held on Thursday, August 10, 2017 at 10:00 a.m. in the 2nd Floor Board Room at 509 E. 18th Street, Norfolk, VA.

The agenda and supporting materials are included in this package for your review.



Meeting of the Operations and Oversight Committee

Thursday, August 10, 2017 • 10:00 a.m.
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AGENDA

1. Approval of the May Operations and Oversight Committee Meeting Minutes
2. Approval of the July Operations and Oversight Committee Meeting Minutes
3. Procurement Recommendations to the Committee:
 - a. Request for approval of Contract 17-73942, General Financial Consulting Services
4. Operations Update
5. Old and New Business
6. Adjournment

**The next Operations & Oversight Committee Meeting will be held on
Thursday, September 14, 2017 at 10:00 a.m. at 3400 Victoria Blvd.,
Hampton, VA**



Meeting of the Operations and Oversight Committee

Thursday, May 11, 2017 • 10:00 a.m.
2nd Floor Board Room • 509 E. 18th Street, Norfolk, VA

MEETING MINUTES

Call to order

A quorum was attained and Commissioner Moffett of Hampton called the meeting to order at 10:03 a.m.

Commissioners in attendance:

Commissioner Moffett, Hampton
Commissioner Fuller, Chesapeake
Commissioner Parnell, Norfolk
Commissioner Coleman, Newport News
Commissioner Rowe, Portsmouth
Commissioner Hennessee, VADRPT
Commissioner Woodbury, Newport New

Hampton Roads Transit Staff in attendance:

Kimberly Ackerman, Chief of Human Resources
Keisha Branch, DBE Liaison Officer
Alesia Cain, Chief Information Technology Officer
Gene Cavazos, Director of Marketing & Communications
Margaret Denoncourt, Internal Auditor
Dillard Joe, External Affairs Liaison
Angela Glass, Director of Budget and Financial Analysis
William Harrell, President and CEO
Ron Hodges, Director of Business Development
Jamie Jackson, Director Transit Development
Sonya Luther, Assistant Director of Procurement
Maryann Martin, Administrative Coordinator
Sybil Pappas, Chief Engineering and Facilities Officer
Michael Perez, Director of Rolling Stock
Luis Ramos, Executive Assistant
Dyanne Sampson, Director of Procurement
Mark Stemple, Director of Technical Services
Benjamin Simms, Director of Bus and Rail Transportation
Brandon Singleton, Chief Finance Officer

Robert Travers, Counsel

Others in attendance:

Susan Wilson, Portsmouth

The May Operations and Oversight meeting package was distributed electronically to committee members and the media in advance of the meeting. The meeting package consisted of:

- Agenda
- Minutes from the April Meeting
- Procurement Items for Approval

Approval of the April 2017 Minutes

Mr. William Harrell provided an update to a discussion regarding the hybrid vehicle contract from the previous meeting. Mr. Harrell gave insight on HRT's procurement process.

Mr. Harrell stated that some contracts are budgeted by trending and not by the actual amount of the contract. Mr. Harrell stated that, going forward, the actual contract amount will be reflected. Mr. Harrell noted that language was added to the previous minutes and he read the changes aloud to the Committee.

A motion to approve the April 2017 Operations & Oversight Committee Meeting Minutes, as distributed, was made by Commissioner Coleman and properly seconded by Commissioner Parnell.

The April 2017 Minutes were approved by a unanimous vote.

Request for approval of Contract 16-70794R, Bus Tire Lease and Maintenance Service

Ms. Dyanne Sampson presented Contract 16-70794R, Bus Tire Lease and Maintenance Service.

There was some discussion regarding the current vendor and their contract submission.

There was discussion regarding the scope of work and changes made since the last contract was issued.

There was a discussion regarding cost escalation and whether the current vendor was meeting the terms of current contract.

It was stated that the contract that is being presented has new terms with additional requirements that meet industry standards.

There was a discussion regarding the evaluation process and when pricing is factored into the overall score.

A motion to approve Contract 16-70794R, Bus Tire Lease and Maintenance Service was made by Commissioner Ross-Hammond and properly seconded by Commissioner Coleman.

Contract 16-70794R was approved by unanimous vote.

Request for approval of Contract 16-72051, Facilities Enterprise Asset Management System

Ms. Dyanne Sampson presented Contract 16-72051, Facilities Enterprise Asset Management System.

There was a discussion regarding the capabilities of the system being presented.

Ms. Sibyl Pappas provided an update regarding MAP 21 requirements and State of Good Repair.

There was a discussion regarding a condition assessment that was completed for the facilities department.

There was a discussion regarding the asset management system's ability to communicate with the financial system.

Mr. Scott Demharter spoke on the modules that are included in the software and its expandability.

There was a discussion regarding the terms and total amount of the contract.

A motion to approve Contract 16-72051, Facilities Asset Management System was made by Commissioner Rowe and properly seconded by Commissioner Coleman.

Contract 16-72051 was approved by unanimous vote.

Request for approval of Contract 17-75488, Hybrid Bus Diagnostic and Repair Service.

Ms. Dyanne Sampson presented Contract 17-75488, Hybrid Bus Diagnostic and Repair Service.

There was some discussion regarding the amount that is being approved and the amount that is included in the budget. It was stated that the budget will reflect the amount of the contract.

A motion to approve Contract 17-75488, Hybrid Bus Diagnostic and Repair Service by Commissioner Fuller and properly seconded by Commissioner Woodbury.

Operations Update

Mr. Jim Price stated that Key Performance Indicators will be presented at the next meeting.

Mr. Price stated that MV will be testing a pilot program with Lyft in the near future and that HRT will provide additional information as it becomes available.

Mr. Price stated that alternative fuel buses were being explored for the future. Mr. Price mentioned that HRT has studied CNG busses previously and are now looking at electric bus options. Mr. Price stated that a demonstration of an electric bus will be conducted prior to the June board meeting.

There was some discussion regarding the use of multiple vendors for bus purchases.

Mr. Price mentioned a large increase in ferry ridership with the new Waterside opening. Mr. Price stated that the new ferry is currently undergoing sea trials and he hopes to have Coast Guard approval next week.

There was discussion regarding increasing ferry service for Norfolk. Mr. Ray Amoruso provided information on the additional service that is needed for Waterside.

Mr. Price stated that Elizabeth River Crossing will be offering free rides on the ferry this coming Saturday and Sunday (May 13th & 14th).

New and Old Business

Mr. Harrell stated that the updated bus exhibit at the Portsmouth Children's Museum was unveiled and was a huge success for HRT.

Adjournment

The meeting was adjourned at 10:43 a.m.

Respectfully submitted by:
Amy Braziel, Sr. Executive Assistant



Meeting of the Operations and Oversight Committee

Thursday, July 13, 2017 • 10:00 a.m.
2nd Floor Board Room • 509 E. 18th Street, Norfolk, VA

MEETING MINUTES

Call to order

A Commissioner Fuller of Chesapeake called the meeting to order at 10:00 a.m. There was no quorum.

Commissioners in attendance:

Commissioner Fuller, Chesapeake
Commissioner Parnell, Norfolk
Commissioner Woodbury, Newport News

Hampton Roads Transit Staff in attendance:

Kimberly Ackerman, Chief of Human Resources
Keisha Branch, DBE Liaison Officer
Alesia Cain, Chief Information Technology Officer
Gene Cavazos, Director of Marketing & Communications
Margaret Denoncourt, Internal Auditor
Angela Glass, Director of Budget and Financial Analysis
William Harrell, President and CEO
Ron Hodges, Director of Business Development
Jamie Jackson, Director Transit Development
Sonya Luther, Assistant Director of Procurement
Maryann Martin, Administrative Coordinator
Sybil Pappas, Chief Engineering and Facilities Officer
Michael Perez, Director of Rolling Stock
Luis Ramos, Executive Assistant
Dyanne Sampson, Director of Procurement
Mark Stemple, Director of Technical Services
Benjamin Simms, Director of Bus and Rail Transportation
Brandon Singleton, Chief Finance Officer
Robert Travers, Counsel

The July Operations and Oversight meeting package was distributed electronically to committee members and the media in advance of the meeting. The meeting package consisted of:

- Agenda
- Minutes from the May Meeting
- Procurement Items for Approval

Approval of the May 2017 Minutes

The May 2017 Meeting Minutes were not approved due to no quorum being present. They will be presented to the August Operations and Oversight Committee for approval.

Internal Audit Update

Ms. Margaret Denoncourt provided an internal audit update to the Committee.

Ms. Denoncourt stated that the annual Standard Operating Procedure (SOP) review has been completed.

Ms. Denoncourt stated that she is working to completed an audit of the money room and will soon start on an audit of revenue services which will be followed by a farebox audit.

There was some discussion regarding an audit of the budget process. It was stated that an audit of the budget process would need to be approved by the Board as it was not part of the scheduled audits previously approved by the Board.

Mr. Brandon Singleton provided additional information regarding a budget process audit.

Ms. Denoncourt stated that it will take 3-4 months to completed the budget process audit once started.

It was decided by the Committee that Ms. Denoncourt should move forward with an audit of the budget process.

The Operations and Oversight Committee requested that Ms. Denoncourt place the money room budget on hold and begin the budget process audit.

Request for approval of Contract 17-73942, General Financial Consulting Services

Ms. Dyanne Sampson presented Contract 17-73942, General Financial Consulting Services.

There was some discussion regarding what is completed in house, why outsourcing was necessary and the purpose of the contract.

Mr. Harrell provided information on opportunities that are included with this contract.

There was some discussion regarding how the cities are structured and their use of financial advisors.

There was some discussion regarding the cost of the contract.

The Operations and Oversight Committee recommended that the contract be deferred and brought back to the August meeting so additional details can be provided by HRT staff.

Request for approval of Contract 17-75502, Interactive Voice Response (IVR) System Maintenance

Ms. Dyanne Sampson presented Contract 17-75502, Interactive Voice Response (IVR) System.

There was a discussion regarding the need to replace the current IVR maintenance contract.

There was a discussion regarding the cost of the new contract compared to the current contract.

Ms. Felicia Harris gave an overview of the service and the savings enjoyed by using the IVR system.

There was a discussion regarding the ability to extend the current contract for a short period of time prior to the current provider going out of business.

There was some discussion as to how long it will take to get a new system online.

The Operations and Oversight Committee, not having a quorum, recommended that this contract be presented to the full board for review and approval.

Operations Update

Mr. Jim Price stated that the new ferry would be christened tomorrow, July 14th at 11:00 a.m. at the Waterside dock in Norfolk.

Mr. Price stated that the new ferry, ERF 5, was put in the water yesterday in Swansboro and that HRT is 3-6 weeks from having it delivered.

Mr. Price stated that light rail and ferry ridership were showing increases and that Waterside has had an impact. Mr. Price noted that last month saw ridership levels at a 2-year high.

Mr. Price stated that there has been increased paratransit customer ridership on buses.

It was stated that Paratransit services are at capacity and taxi cabs have been introduced to customers.

There was some discussion regarding the use of taxis in the past.

There was some discussion regarding whether or not taxi use would be permanent. Mr. Price provided information regarding increasing service demands on Paratransit and the aging of America.

Mr. Price gave a presentation regarding a pilot program for Paratransit that utilizes Lyft. It was stated that HRT is looking to start the pilot program in September.

There was a discussion regarding the pilot program and issues with customers that do not have credit cards.

There was some discussion regarding how the Lyft program will impact HRT financially.

There was some discussion regarding the implementation of a Lyft type product within HRT.

There was a discussion regarding the qualification of drivers for Lyft and it was stated that all drivers receive background checks.

FTA regulations regarding paratransit services were also discussed.

There was some discussion regarding the services that will be provided by Lyft and it was stated that all information is preliminary as HRT works through the details of the program.

There was some discussion regarding some of the graphs that were shown in the presentation and the use of the program during mid-day and non-peak times.

It was stated that there needs to be a cost benefit analysis completed on mid-day and non-peak trips to identify the best cost saving scenario for the program.

Mr. Price gave a presentation regarding the bus fleet renewal program.

There was some discussion regarding ridership per hour on larger buses.

It was stated that daily ridership information is available and reviewed when determining fleet/route needs.

There was some discussion regarding capacity, vehicle needs and cost effectiveness.

Mr. Harrell stated that this discussion should also be held with the full Board as fleet issues need to be addressed. Mr. Harrell stated that it is HRT's mission to provide reliable service to the community.

New and Old Business

There was a discussion regarding Commissioner attendance at the meeting.

Adjournment

The meeting was adjourned at 11:06 p.m.

Respectfully submitted by:
Amy Braziel, Sr. Executive Assistant

Contract No:	17-73942	Title:	General Financial Consulting Services	Price: Term:	\$296,000 1 Yr. w/2-1 yr. options
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Acquisition Description: Enter into a contract with a qualified Contractor to provide general financial consulting services on a Task Order (TO) basis.

Background: From time to time, Hampton Roads Transit’s (HRT) finance staff requires the assistance and support of an outside firm for financial related tasks and ad-hoc financial studies. Under the terms of this agreement, the Consultant is required to complete several projects on a TO basis to include, but not limited to, an analysis of the financial impact of various events or scenarios as it relates to preparing annual budgets and updates to the six-year capital program plan; identification of a full range of financial strategies that could generate sufficient revenues needed to meet operating, maintenance, and capital costs according to industry best practices; assist in the development of a Strategic Plan and Sustainable Financial Plan that identifies industry best practice; and, other financial related assignments as determined by HRT’s Project Manager.

Contract Approach: A Request for Proposal (RFP) was issued on February 1, 2017. Three (3) proposals were received on March 14, 2017 from the following firms:

- HDR, Inc. (HDR)
- IMG Rebel (IMG)
- WSP USA, Inc. (WSP)

In response to the RFP, Proposers were required to provide a technical proposal and a Price Proposal that includes labor rates for various labor categories, to be utilized when establishing pricing for TOs. A sample of the labor categories specified in the Price Schedule and the corresponding proposed labor rates are provided in the Solicitation Results below.

Upon review and evaluation of the technical proposals, all three (3) firms were deemed capable of performing the requirements of the Scope of Work (SOW). The firms were invited to discuss their proposals and provide technical clarifications on their approach to the SOW.

After discussions, WSP was rated best to meet the requirements of the SOW based on additional information provided during the presentation regarding their overall project approach and experience. Further discussions and negotiations were conducted with the firm, which focused on clarifying assumptions made in establishing pricing, reducing labor rates proposed and reviewing exceptions to the Terms and Conditions of the Contract. At the conclusion of negotiations, a Best and Final Offer (BAFO) was requested.

As a result of the negotiations, HRT staff concluded that WSP provided the best value to HRT based on a combination of technical capability and price. WSP’s labor rates are deemed fair and reasonable based on a price analysis performed using historical data and the fact that the pricing was obtained in a competitive environment. A contractor responsibility review confirmed that WSP is technically and financially capable to perform the work.

WSP is headquartered in New York, NY, and operates an office in Washington, DC. WSP has provided similar services to the Virginia Department of Rail and Public Transportation; the Santa Clara Valley Transportation Authority in San Jose, CA; Sound Transit in Seattle, WA; and, Los Angeles Metro in LA, CA.

Contract No:	17-73942	Title:	General Financial Consulting Services	Price: Term:	\$296,000 1 Yr. w/2-1 yr. options
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The Contract period of performance is one (1) base year, with two (2) additional one-year options.

No DBE goal was assigned for this solicitation.

Cost/Funding: This contract will be funded with operating funds.

Project Manager: Angela Glass, Director of Budget and Financial Analysis

Contracting Officer: Jason Petruska, Contracts Specialist

Recommendation: It is respectfully recommended that the Commission approve the award of a contract to WSP USA, Inc. to provide general financial consulting services. The cumulative amount of all TOs issued under this contract will not exceed \$296,000 over the three-year period.

SOLICITATION RESULTS

Labor Category	WSP	HDR	IMG Rebel	WSP'S BAFO
Project Manager	\$196.54	\$204.05	\$325.00	\$190.48
Subject Matter Expert	\$166.84	\$349.80	\$307.12	\$148.59
Administrative Support	\$108.56	\$102.03	\$160.00	\$100.39

Note: WSP was the only firm required to submit a BAFO