



Meeting of the Operations and Oversight Committee

Thursday, July 13, 2017 • 10:00 a.m.
2nd Floor Board Room • 3400 Victoria Blvd., Hampton, VA

A meeting of the Operations and Oversight Committee will be held on Thursday, July 13, 2017 at 10:00 a.m. in the 2nd Floor Board Room at 3400 Victoria Blvd., Hampton, VA

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



Meeting of the Operations and Oversight Committee

Thursday, July 13, 2017 • 10:00 a.m.
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AGENDA

1. Approval of the May Operations and Oversight Committee Meeting Minutes
2. Procurement Recommendations to the Committee:
 - a. Request for approval of Contract 17-73942, General Financial Consulting Services
 - b. Request for approval of Contract 17-75502, Interactive Voice Response (IVR) System Maintenance and Support Services
3. Internal Audit Update
4. Operations Update
5. Old and New Business
6. Adjournment

The next Operations & Oversight Committee Meeting will be held on Thursday, August 10, 2017 at 10:00 a.m. at 509 E. 18th Street, Norfolk, 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

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

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

Contract No.:	17-75502	Title:	Interactive Voice Response (IVR) System Maintenance and Support Services	Price:	\$208,800.00
				Term:	One (1) year

Acquisition Description: Enter into a sole source contract with LogicTree, LLC (LogicTree) for one (1) year of maintenance and support services for Hampton Roads Transit’s hosted Interactive Voice Response (IVR) system.

Background: Hampton Roads Transit (HRT) purchased its existing hosted IVR system from LogicTree in 2010. The IVR system has supported the Customer Service department in the management of high call volumes by providing automated route, schedule, and general customer service information to HRT customers.

HRT’s hosted IVR application is proprietary to LogicTree and is not released externally. Only LogicTree can provide technical support and maintenance to the System; and, HRT has been informed that the firm will no longer be in business after July 2018. As a result, this one-year agreement is being put in place for LogicTree to continue to provide all related maintenance and support services required for the efficient and effective functioning of the IVR system, while HRT issues a solicitation to procure a more competitive IVR System.

Contract Approach: FTA guidelines and Virginia Public Procurement Act allow non-competitive procurement when only one source is practicably available and the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals. Due to the specific requirements of this solicitation, full and open competition was not a feasible method of Procurement. Sole Source procurements are accomplished through solicitation and acceptance of a proposal from only one source.

A solicitation was issued on May 19, 2017. LogicTree provided a responsive proposal on May 24, 2017 in the amount of \$208,800. The proposed monthly rate of \$17,400 is in line with current rates being offered to similar LogicTree customers. The proposed amount is deemed fair and reasonable based on a cost analysis performed utilizing the independent cost estimate and other research data.

LogicTree is located in Denver, Colorado and has provided similar support to HRT satisfactorily.

The Contract period of performance is one (1) year.

Cost/Funding: This contract will be funded with Operating Funds.

Project Manager: Kamlesh Chowdhary, Director of ITS Services

Contracting Officer: Fevrier Valmond, Contract Specialist

Recommendation: It is respectfully recommended that the Commission approve the award of a sole source contract to LogicTree, LLC for maintenance and support services for HRT’s hosted IVR system in the not-to-exceed amount of \$208,800.