



Meeting of the Operations and Oversight Committee

Thursday, March 8, 2018 • 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, March 8, 2018 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, March 8, 2018 • 10:00 a.m.
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AGENDA

1. Approval of the February 2018 Operations and Oversight Committee Meeting Minutes
2. Procurement Recommendations to the Committee:
 - a. Recommendation for approval of Contract 17-76513, Smart/Scale Design Service
 - b. Recommendation for approval of Contract 17-76507, Transit Asset Management Plan
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, April 12, 2018 at 10:00 a.m. at 509 E. 18th Street, Norfolk, VA



Meeting of the Operations and Oversight Committee

Thursday, February 8, 2018 • 10:00 a.m.
2nd Floor Board Room • 509 E. 18th Street, Norfolk, VA

MEETING MINUTES

Call to order

Commissioner Fuller of Chesapeake called the meeting to order at 10:00 a.m.

Commissioners in attendance:

Commissioner Fuller, Chesapeake
Commissioner Hennessee, DRPT
Commissioner Parnell, Norfolk
Commissioner Woodbury, Newport News
Commissioner Rowe, Portsmouth
Commissioner Amelia Ross-Hammond, Virginia Beach

Hampton Roads Transit Staff in attendance:

Kimberly Ackerman, Chief of Human Resources
Ray Amoruso, Chief Planning and Development Officer
Keisha Branch, Capital Programs and Grants Administrator
Amy Braziel, Sr. Executive Assistant
David Burton, General Counsel
Alesia Cain, Chief Information Technology Officer
Gene Cavasos, Director of Marketing & Communications
Margaret Denoncourt, Internal Auditor
William Harrell, President and CEO
Tom Holden, Media Relations Specialist
Sonya Luther, Assistant Director of Procurement
Maryann Martin, Operations Analyst
Shanti Mullen, Auditor I
Michael Perez, Director of Rolling Stock
Jim Price, Chief Operating Officer
Luis Ramos, Sr. Executive Assistant
Silvia Shanahan, Interim Chief Finance Officer
Benjamin Simms, Director of Bus and Rail Transportation
Derrick Snowden, Chief Safety & Security Officer
Mark Stemple, Director of Technical Services
Brittany Sumpter, DBE and Grants Coordinator

Robert Travers, Corporate Counsel

Others in Attendance:

Nihit Jain, IBI Group

The February 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 January Meeting
- Procurement Items for Approval

Several members of the bus maintenance department were recognized for their efforts during the inclement weather event in January.

Approval of the January 2018 Minutes

A motion to approve the January 2018 Meeting Minutes was made by Commissioner Hennessee and properly seconded by Commissioner Parnell.

The January 2018 Meeting Minutes were approved by a unanimous vote.

Request for approval of Contract 17-74638, Electronic Fare Payment System-Mobile Ticketing System Pilot Program

Ms. Sonya Luther formally presented Contract 17-74638, Electronic Fare Payment System-Mobile Ticketing System Pilot Program

A presentation containing information on the program was given.

Pricing was discussed.

There was some discussion regarding whether existing platforms utilized by municipalities could be used for the mobile ticketing program. Staff responded that all responsive bids were thoroughly vetted and Passport, utilized by at least the City of Norfolk for parking, would not provide on-board ticket validation, which is a necessary component for HRT's mobile ticketing system.

There was some discussion regarding possible impacts that the program may have on ridership and farebox recovery. Specifically, it was noted that mobile ticketing would reduce farebox recovery. It was agreed, however, that a reduction in farebox recovery was a worthwhile compromise for a customer amenity that the Commission has historically prioritized.

It was stated that this program is starting in the resort area.

There was some discussion regarding the contract options.

There was some discussion regarding bids received and changes made to the scope of work.

ACTION ITEM: HRT staff to complete an analysis regarding cost recovery on the Mobile Ticketing System Pilot Program.

A motion to recommend approval of Contract 17-74638, Electronic Fare Payment System-Mobile Ticketing System Pilot Program was made by Commissioner Rowe and properly seconded by Commissioner Woodbury.

Contract 17-74638, Electronic Fare Payment System-Mobile Ticketing System Pilot Program was approved by a unanimous vote.

Request for approval of Contract 17-76509, Waste Collection and Disposal Services

Ms. Sonya Luther formally presented Contract 17-76509, Waste Collection and Disposal Services

There was some discussion regarding the Agency DBE goals and as to whether the vendor will continue efforts to reach the DBE goals of the Agency.

Ms. Brittany Sumpter gave an overview of the DBE process and stated that the Agency is exceeding its 11% goal with current DBE at 13%.

A motion to recommend approval of Contract 17-76509, Waste Collection and Disposal Services was made by Commissioner Ross-Hammond and properly seconded by Commissioner Parnell.

Contract 17-76509, Waste Collection and Disposal Services was approved by a unanimous vote.

Information regarding Contract 17-73942, Task Order No. 3, Financial Planning for Hampton Roads Transit's Light Rail State of Good Repair was given.

Mr. William Harrell stated that HRT is working hard to maintain its State of Good Repair and reinforced the need for stakeholders to join and support the effort. Mr. Harrell stated that information regarding this issue will be shared with the full Board.

Mr. Jim Price identified some items that need to be addressed to maintain a State of Good repair.

Mr. Ray Amoruso provided additional information regarding the State of Good Repair to include the cost to maintain and the amount of funding that is being provided by the State.

Commissioner Ross-Hammond stated that HRT needs a dedicated funding source to operate properly.

Internal Audit

Ms. Margaret Denoncourt gave a presentation regarding Budgetary Practices.

It was stated that the report will be assigned to the Audit and Budget Committee for follow-up.

There was some discussion regarding the report going to the Management and Financial Advisory Committee (MFAC) also. It was determined it was inappropriate for the report to be given to MFAC at this time for formal comment or review as some of the corrective actions suggested by the report included a review and potential revision of MFAC's scope, composition and purpose. It was decided that the report needed to be analyzed by the Audit and Budget Committee with further insight provided by HRT's new Chief Financial Officer.

The committee requested that comments be reported back to the Operations and Oversight Committee in the future with an action plan prior to further dissemination.

Mr. Harrell stated that there are some very constructive items in the full report which was distributed to the Board. Mr. Harrell provided some additional insight regarding the report.

Commissioner Fuller stated that the report is drafted in a way that it should be considered a living document that can evolve over time with an action plan.

Operations Update

Ms. Amy Braziel gave a presentation regarding the American Bus Benchmarking Group (ABBG).

There was some discussion regarding several of the benchmarking graphs that were provided.

New and Old Business

The Committee applauded Internal Audit for bringing important budget items forth and Mr. Harrell's willingness to respond.

There was some discussion regarding the status of Union negotiations.

Adjournment

The meeting was adjourned at 11:46 a.m.

Respectfully submitted by:
Amy Braziel, Sr. Executive Assistant

Contract No:	17-76513	Title:	Smart/Scale Design Services	Price:	\$585,733
				Term:	24 Mos.

Acquisition Description: Enter into a contract with a qualified firm to prepare an engineering design and plans for reconstruction and expansion of two (2) existing HRT bus transit centers and park-and-ride facilities [Hampton Transit Center (HTC) and Newport News Transit Center (NNTC)].

Background: This Project addresses specific work scope issues related to the design of a Park-and-Ride reconstruction project at HRT's bus facilities at HTC and NNTC. Under the terms of this agreement, the Consultant shall prepare the design of a full reconstruction of both HTC's and NNTC's exterior infrastructure. Reconfiguration of the parking and bus facilities will be necessary for expansion of parking and number of available bus bays.

Contract Approach: This solicitation was conducted under a qualifications-based selection process for professional services, in accordance with the Federal Brooks Act and the Virginia Public Procurement Act. The Brooks Act is a two-step procurement process in which technical proposals are evaluated and contracts for Architectural/Engineering services are subsequently negotiated on the basis of demonstrated competence and qualification for the type of services requested at a fair and reasonable price.

A Request for Technical Proposals was issued on October 27, 2017. Four (4) proposals were received on December 12, 2017 from the following firms:

- A. Morton Thomas and Associates, Inc. (AMT)
- Kimley-Horn and Associates, Inc.
- Vanasse Hagen Brustlin, Inc. (VHB)
- Volkert, Inc.

Technical proposals were evaluated based on each firm's project approach and strategy; organization and key proposed personnel; specialized experience on similar projects; and, past performance. Upon review and evaluation of the technical proposals, AMT was determined to be the most technically qualified firm; therefore, no presentations or proposal clarifications were required.

On January 9, 2018, HRT requested AMT's Pricing Proposal. Pricing is generally based on hourly labor rates (including burden and overhead), direct costs and the number of labor hours required to complete the engineering design and plan. In order to determine the fair and reasonableness of AMT's initial price submitted, in the amount of \$601,726, an analysis was conducted utilizing the Independent Cost Estimate as a basis for comparison.

Negotiations held with AMT on February 6, 2018, focused on clarifying assumptions made in establishing pricing and, accordingly, reducing the number of hours allocated to various tasks in the Price Schedule. At the conclusion of negotiations, revised pricing was requested and re-evaluated. AMT's revised pricing in the amount of \$585,733 is deemed fair and reasonable based on the results of the negotiations. The pricing includes a base contract value of \$511,212 and two (2) options for Design Services During Construction, totaling \$74,521.

Contract No:	17-76513	Title:	Smart/Scale Design Services	Price:	\$585,733
				Term:	24 Mos.

AMT is located in the City of Suffolk and has provided similar work for the City of Newport News; the Town of Ashland in Ashland, VA; and, Fosdick & Hilmer, Inc. in Norfolk, VA.

The Contract period of performance is twenty-four (24) months.

A DBE goal of 4% was established for this solicitation and AMT has committed to 10% DBE participation.

Cost/Funding: This contract will be funded by grant funds.

Project Manager: Lee Roy Padgett, HRT Engineer

Contracting Officer: Sonya Luther, Interim Director of Procurement

Recommendation: It is respectfully recommended that the Commission approve the award of a contract to A. Morton Thomas and Associates, Inc. to an engineering design and plans for reconstruction and expansion of two (2) existing HRT bus transit centers and park-and-ride facilities in the not-to-exceed amount of \$585,733.

Contract No:	17-76507	Title:	Transit Asset Management Plan	Price:	\$200,339.90
				Term:	6 months

Acquisition Description: Enter into a contract with a qualified Consultant to assist in the development of a Transit Asset Management Plan (TAMP).

Background: The Federal Transit Administration (FTA) has enacted legislation called Moving Ahead for Progress in the 21st Century (MAP-21). One of the main elements of this new legislation is the concept of State of Good Repair (SGR). The legislation requires public transportation agencies receiving federal assistance or grant money to develop an asset management plan. This plan needs to touch on several elements and must address an agency's inventory and condition assessment.

As part of Hampton Roads Transit's (HRT) continuing effort to monitor the condition of its transit assets and optimize the use of limited capital funding to address the most critical SGR project system-wide, HRT requires the development of a TAMP. Utilizing the procedures and tools implemented through the TAMP, HRT will improve its stewardship over its physical assets, reduce maintenance costs, make better informed capital investment decision, and enhance the level of service the agency provides to its customers.

Under the terms of this agreement, the Consultant shall assess the asset management needs of HRT and assist in the development and implementation of a TAMP in accordance with the FTA's SGR requirements and October 2018 deadline.

Contract Approach: A Request for Proposals (RFP) was issued on October 27, 2017. Three (3) proposals were received on January 12, 2018 from the following firms:

- Calyptus Consulting Group, Inc.
- CH2M Hill, Inc. (CH2M Hill)
- eVision Partners, Inc. (eVision)

Upon review of the technical proposals, two (2) firms, CH2M Hill and eVision, were deemed technically qualified to meet the requirements of the Scope of Work (SOW). Discussions were held with both firms to provide technical clarifications in regard to their proposal and negotiate for the purpose of a possible award. At the conclusion of discussions and negotiations, Best and Final Offers (BAFOs) were requested from both firms.

CH2M Hill's BAFO submitted in the amount of \$200,339.90 is \$15,118.96, or approximately 7% less than their original cost proposal of \$215,458.86. As a result, HRT staff determined that CH2M Hill provided the best value to HRT based on a combination of technical capability and price. Based on the result of the negotiations and the fact that the pricing was obtained in a competitive environment, CH2M Hill's pricing is deemed fair and reasonable. A contractor responsibility review performed confirmed that CH2M Hill is both technically and financially capable to perform the work.

Contract No:	17-76507	Title:	Transit Asset Management Plan	Price:	\$200,339.90
				Term:	6 months

CH2M Hill, located in Baltimore, MD has provided similar services for the Southern California Regional Rail Authority in Los Angeles, CA; TriMet in Portland, OR; Washington Metropolitan Area Transit Authority in Washington, DC; and, Santa Clara Valley Transportation Authority in Santa Clara, CA. CH2M Hill has also performed similar services for HRT satisfactorily.

The period of performance for this contract is six (6) months.

No DBE goal was established for this solicitation.

Cost/Funding: This contract will be funded by grant funds.

Project Manager: Scott Demharter, Director of Facilities Maintenance

Contracting Officer: Sonya Luther, Interim Director of Procurement

Recommendation: It is respectfully recommended that the Commission approve the award of a contract to CH2M Hill, Inc. to assist in the development of a Transit Asset Management Plan in the not-to-exceed amount of \$200,339.90.

SOLICITATION RESULTS

<u>OFFEROR</u>	<u>ORIGINAL OFFER</u>	<u>BEST AND FINAL OFFER</u>
CH2M Hill, Inc.	\$215,458.86	\$200,339.90
Calyptus Consulting Group, Inc.	\$274,620.00	N/A
eVision Partners, Inc.	\$367,271.00	\$326,150.50