



## **Meeting of the Transportation District Commission of Hampton Roads**

Thursday, July 23, 2020 • 1:00 p.m. Via Zoom

---

A meeting of the Transportation District Commission of Hampton Roads will be held on Thursday, July 23, 2020 at 1:00 p.m. via Zoom.

Pursuant to the declared state of emergency in the Commonwealth of Virginia in response to the COVID-19 pandemic and to protect the public health and safety of the Board members, staff, and the general public, the TDCHR meeting will be held electronically via zoom.

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



## Meeting of the Transportation District Commission of Hampton Roads

Thursday, July 23, 2020 • 1:00 p.m. Via Zoom

1. Call to Order & Roll Call
2. Public Comments
3. Approval of June 25, 2020, Meeting Minutes
4. President's Monthly Report - William Harrell
  - A. Board Updates
5. Committee Reports
  - A. Audit & Budget Review Committee - Commissioner Gray/  
Conner Burns, Chief Financial Officer
    - June 2020 Financial Report
  - B. Management/Financial Advisory Committee – Commissioner Cipriano/  
Conner Burns, Chief Financial Officer
  - C. Operations & Oversight Committee - Commissioner Rowe/  
Sonya Luther, Director of Procurement
    - **Contract No: 20-00098 – Construction and Installation of Charging Stations**  
  
**Recommending Commission Approval:** Award of a contract to Proterra, Inc. to provide the construction and installation of chargers and remote dispensers in the not-to-exceed amount of \$1,266,594.
    - **Contract No: 20 – 00094 – Information Technology Research and Advisory Services**

**Recommending Commission Approval:** Award of a sole source contract to Gartner, Inc. to provide information technology research and advisory services in the not-to-exceed amount of \$389,745 for two (2) years.

- **Contract No: 20 – 000800 – Microsoft Dynamics 365 Support Services**

**Recommending Commission Approval:** Award of a contract to Crowe LLP to continue support and maintenance services for HRT's Microsoft Dynamics 365 financial system in the not-to-exceed amount of \$1,120,000 for three (3) years.

- **Contract No: 20 – 00060 – Passenger Shelter Fabrication and Installation (Renewal)**

**Recommending Commission Approval:** Award of a renewal contract to Duo-Gard Industries, Inc. to provide passenger shelter fabrication and installation in the not-to-exceed amount of \$3,413,714 over a five-year period.

D. Planning/New Starts Development Committee – Commissioner Ross-Hammond/  
Ray Amoruso, Chief Planning & Development Officer

E. External/Legislative Advisory Committee - Commissioner Kanoyton/  
Joe Dillard, Organizational Advancement Officer

F. Smart Cities & Innovation Committee – Commissioner McClellan/  
Michael Price, Chief Information/Technology Officer

G. Paratransit Advisory Subcommittee – Chair Paul Atkinson Jr./Keith  
Johnson, Manager of Paratransit

H. Transit Ridership Advisory Sub-Committee – Ms. Denise Johnson, Chair  
Rodney Davis, Director of Customer Relations

6. Old and New Business

7. Comments by Commission Members

8. Closed Session (as necessary)

9. Adjournment

**The next meeting will be held on Thursday, August 27, 2020 at 1:00 p.m.  
location to be determined.**



## Meeting Minutes of the Transportation District Commission of Hampton Roads

Special Electronic Meeting - Thursday, June 25, 2020 • 1:00 p.m.

### **Call to order**

A quorum was attained, and Chairman Hunter called the meeting to order at 1:01 p.m.

### **Commissioners in attendance via ZOOM/Phone:**

Commissioner Hunter, Portsmouth  
Commissioner Gray, Hampton  
Commissioner Fuller, Chesapeake  
Commissioner Hamel, Chesapeake  
Commissioner DeBruhl, VDRPT  
Commissioner Kanoyton, Hampton  
Commissioner Woodbury, Newport News  
Commissioner McClellan, Norfolk  
Commissioner Parnell, Norfolk  
Commissioner Rowe, Portsmouth  
Commissioner Rouse, Virginia Beach  
Commissioner Ross-Hammond, Virginia Beach

### **Hampton Roads Transit Staff in attendance:**

Ray Amoruso, Chief Planning and Development Officer  
Debbie Ball, Director of Finance  
Keisha Branch, Director of the Office of Program and Project Excellence  
Amy Braziel, Manager of Operations Administration  
Conner Burns, Chief Financial Officer  
Danielle Burton, Operations Support Technician  
David Burton, General Counsel, Williams Mullen  
Gene Cavazos, Director of Marketing & Communications  
Joe Dillard, Organizational Advancement Officer  
Sherri Dixon, Director of Revenue  
Jennifer Dove, Grants and Civil Rights Coordinator  
Angela Glass, Director of Budget  
Erin Glen, Director of ETS  
Brenda Green, Executive Administrative Assistant  
William Harrell, President and CEO  
Keith Johnson, Paratransit Services Contract Administrator  
Larry Kirk, Deputy Director of Finance  
Sonya Luther, Director of Procurement  
Shanti Mullen, Internal Auditor  
Sibyl Pappas, Chief Engineering & Facilities Officer  
Michael Perez, Operations Contract and Project Administrator

Jim Price, Chief of Transit Operations  
Michael Price, Chief Information Officer/CTO  
John Powell, Telecommunications Specialist  
Luis Ramos, Sr. Executive Assistant/Commission Secretary  
Dawn Sciortino, Chief Safety Officer  
Benjamin Simms, Deputy Chief of Operations  
Brian Smith, Chief of Staff  
Robert Travers, Corporate Counsel  
Fevrier Valmond, Deputy Director of Procurement  
Kim Wolcott, Chief of Human Resources

**Others in attendance via phone:**

Paul Atkinson, Chair of Paratransit Advisory Committee  
Steve Bond, City of Hampton  
Rob Case, HRTPO  
Alt. Commissioner Cipriano, Newport News  
Joshua Diamond, Four Square  
Andrew Ennis, DRPT  
Cole Fisher, City of Virginia Beach  
Elyssa Gensib, WSP  
Alt. Commissioner Inman, Norfolk  
Alt. Commissioner Jackson, Portsmouth  
Allen James, Citizen  
Denise Johnson, Chair of Transit Ridership Advisory Committee  
Simon Mosbah, WSP  
Alt. Commissioner Scott, Newport News  
Alt. Commissioner Sorey, Chesapeake  
Justin Stewart, City of Newport News  
Janice Taylor, League of Women Voters  
Madeline Yi, WSP  
Alt Commissioner Velissarios, Newport News  
Linda Wheeler, Common Courtesy Hampton Roads  
Jerri Wilson, City of Newport News  
Lori Zeller, Four Square

The TDCHR meeting package was distributed electronically to all Commissioners in advance of the meeting. The meeting package consisted of:

- Agenda
- Meeting Minutes
- President's Report Presentation
- Social Media Analytics
- Financial Reports
- Committee Reports

## **Public Comments**

There were no public comments.

## **Approval of May 2020 Meeting Minutes**

A motion to approve the May 2020 meeting minutes was made by Commissioner Rowe and properly seconded by Commissioner Gray. A roll call vote resulted as follows:

Ayes: Commissioners Gray, Fuller, Hamel, DeBruhl, Kanoyton, McClellan, Woodbury, Rowe, Ross-Hammond, and Rouse

Nays: None

Abstain: Commissioners Hunter and Parnell

## **President's Monthly Report**

Mr. William Harrell welcomed everyone to the meeting.

Mr. Harrell provided an update on transit service and ridership which included paratransit. The data reflected the effect that COVID has had on ridership and service being provided.

Mr. Harrell recognized staff for their efforts in completing the Transit Strategic Plan (TSP) for FY21-FY30, the Title VI Program update and the Public Transportation Agency Safety Plan (PTASP) which all would be presented for a vote later in the meeting.

## **Audit & Budget Review/Management and Financial Advisory Committee Combined**

Mr. Conner Burns gave the financial report as enclosed in the meeting package.

## **Operations and Oversight Committee**

There were no Contracts to approve and no meeting was held.

## **Planning and New Starts Committee**

It was stated that the committee did not meet, and no report was given.

## **External/Legislative Advisory Committee**

Commissioner Kanoyton stated that the Committee did not meet but noted that support was shared with Congressional offices as it relates to securing additional funding for public transportation.

## **Smart Cities and Innovation Committee**

Commissioner McClellan stated that the committee met virtually and had presentations from two micro-transit companies as HRT explores micro-transit opportunities.

## **Paratransit Advisory Sub-Committee**

Due to technology/audio difficulties, Mr. Atkinson's report is attached to the minutes for review.

## **Transit Ridership Advisory Sub-Committee**

The Transit Ridership Advisory Committee did not meet, and no report was given.

## **Old and New Business**

Commissioner Kanoyton introduced Resolution 01-2020, Appreciation for Senator Louise Lucas and Delegate Alex Askew. Mr. Burton read Resolution 01-2020. A motion to adopt Resolution 01-2020 Appreciation for Senator Louise Lucas and Delegate Alex Askew was made by Commissioner Gray and properly seconded by Commissioner Woodbury. A roll call vote resulted as follows:

Ayes: Commissioners Hunter, Gray, Fuller, Hamel, DeBruhl, Kanoyton, McClellan, Parnell, Woodbury, Rowe, Ross-Hammond, and Rouse

Nays: None

Abstain: None

Mr. Amoruso recapped the Transit Strategic Plan, and Mr. David Burton read Resolution 02-Transit Strategic Plan (FY2021-2030). A motion to adopt Resolution 02, Transit Strategic Plan (FY2021-2030) was made by Commissioner Rowe and properly second by Commissioner Rouse. A roll call vote resulted as follows:

Ayes: Commissioners Hunter, Gray, Fuller, Hamel, DeBruhl, Kanoyton, McClellan, Parnell, Woodbury, Rowe, Ross-Hammond, and Rouse

Nays: None

Abstain: None

Mr. Amoruso called on Ms. Jennifer Dove, DBE and Grants Coordinator. Ms. Dove reviewed the Title VI Program for the board. A motion was to adopt Resolution 03-2020, Title VI Program by Commissioner Woodbury and properly seconded by Commissioner Hamel. A roll call vote resulted as follows:

Ayes: Commissioners Hunter, Gray, Fuller, Hamel, DeBruhl, Kanoyton, McClellan, Parnell, Woodbury, Rowe, Ross-Hammond, and Rouse

Nays: None

Abstain: None

Commissioner Rowe, Chair of the Nominating Committee provided a report to the Board and nominated the following officers for new fiscal year:

Commissioner Gray, Chair  
Commissioner McClellan, Vice Chair  
Conner Burns, Treasurer  
Luis Ramos, Secretary

Commissioner Woodbury seconded the motion. A roll call vote resulted as follows:

Ayes: Commissioners Hunter, Gray, Fuller, Hamel, DeBruhl, Kanoyton, McClellan, Parnell, Woodbury, Rowe, Ross-Hammond, and Rouse

Nays: None

Abstain: None

Mr. Burton presented the process to the board for this year for the President/CEO annual performance evaluation. This year an evaluation tool (360°Feedback) has been added to assist the Board in this process. The 360° Feedback is a means in employees receive confidential, anonymous feedback from the people who work around them. This summary will be submitted to all board members for their review, then Commissioners will complete the performance evaluation form for the President and CEO.

Commissioner Woodbury urged all commissioners to participate in the evaluation process.

Conversation ensued about the process and flow and when to receive and observe 360° feedback summaries.

Commissioner Rowe made a motion that for this evaluation process, Commissioners will fill out an evaluation first, and then they will review the 360° Feedback Summary evaluations from the Senior Executive Team, which was properly seconded by Commissioner Parnell. A roll call vote resulted as follows:

Ayes: Fuller, Hamel, Parnell, Rowe, and Rouse

Nays: Hunter, Gray, Kanoyton, McClellan, Woodbury, Ross-Hammond

Abstain: DeBruhl

There was further discussion and consensus reached for Commissioners to receive and review the 360° Feedback Summary in tandem with their completing the individual performance evaluation.

Mr. Burton stated that all member cities have adopted the amendment to the cost allocation agreement. Commissioner Rowe motioned to have Mr. Harrell, President & CEO, endorse the member cities resolutions. Properly seconded by Commissioner Parnell. A roll call vote resulted as follows:



Ayes: Commissioners Hunter, Gray, Fuller, Hamel, DeBruhl, Kanoyton, McClellan, Parnell, Woodbury, Rowe, Ross-Hammond, and Rouse

Nays: None

Abstain: None

**Adjournment**

The meeting adjourned at 2:38 p.m.

**TRANSPORTATION DISTRICT COMMISSION  
OF HAMPTON ROADS**

**ATTEST:**

---

**Brad Hunter**  
**Chair**

---

**Luis Ramos**  
**Commission Secretary**  
**June 23, 2020**



HAMPTON ROADS  
TRANSIT

# TDCHR Board Meeting June 25, 2020

[gohrt.com](http://gohrt.com)

# President's Report

- Service and Ridership update
- Paratransit Operations update
- Recognition of completed Staff Work
  - ❖ Transit Strategic Plan (FY2021-2030)
  - ❖ 2020 Title VI Program
  - ❖ Public Transportation Agency Safety Plan



HAMPTON ROADS  
TRANSIT

# TDCHR Board Meeting June 25, 2020

[gohrt.com](http://gohrt.com)

## GOHRT.COM - June 2019

### OVERVIEW

Sessions	153,478
Users	235,995
Pageviews	380,733

### DEVICE USAGE:

mobile	85.09%
desktop	12.54%
tablet	2.37%

### TRAFFIC SOURCE PER SESSION

Organic Search	73.80%
Direct	19.86%
Referral	4.60%
Email	0.52%
(Other)	0.60%
Social	0.15%
Display	0.46%

### PAGEVIEWS BY PAGE (TOP 10)

/index.html	11.007%
/routes/norfolk/index.html	5.411%
/route/20/index.html	4.273%
/routes/virginia-beach/index.html	3.552%
/routes/index.html	3.080%
/routes/newport-news/index.html	2.866%
/route/1/index.html	2.705%
/route/3/index.html	2.387%
/fares/index.html	2.120%
/route/15/index.html	1.929%

## GOHRT.COM - June 2020

### OVERVIEW

Sessions	112,021
Users	170,274
Pageviews	279,190

### DEVICE USAGE:

mobile	83.61%
desktop	15.27%
tablet	1.11%

### TRAFFIC SOURCE PER SESSION

Organic Search	74.28%
Direct	21.86%
Referral	2.97%
Email	0.17%
(Other)	0.61%
Social	0.08%
Display	0.04%

### PAGEVIEWS BY PAGE (TOP 10)

/index.html	10.880%
/routes/norfolk/index.html	7.354%
/route/20/index.html	4.780%
/routes/virginia-beach/index.html	3.698%
/routes/newport-news/index.html	3.654%
/routes/index.html	2.794%
/route/1/index.html	2.771%
/route/3/index.html	2.334%
/route/15/index.html	2.236%
/route/21/index.html	1.883%

## FULFILLING OUR MISSION & VISION

***"A progressive mobility agency that promotes prosperity across Hampton Roads through collaboration and teamwork."***

That is our vision at Hampton Roads Transit, and it is more relevant today than ever.

With the immediate and lingering impacts of COVID-19 hitting Hampton Roads, our region's ability to recover and thrive will hinge on our willingness to think and act regionally. And to do that requires collaboration and teamwork. This is what we are all about at HRT.

Thankfully, a spirit of collaboration and recognition – a sense that "We are stronger together." - is alive and well at HRT. A great example of this is the work underway among leading organizations and stakeholders across Hampton Roads, including Hampton Roads Transit, to define a 757 Business Recovery and Resilience Action Framework. The goal is to establish action plans specifically tailored for Hampton Roads to effectively recover from COVID-19 impacts and prosper in the years to come.

I have no doubt that public transportation will play a vital role in the region's immediate recovery and in the years ahead. Workers need to get to jobs. Customers need to access to businesses.

In the immediate response to the pandemic, HRT implemented the Essential Service Plan to continue providing vital services. Enhanced cleaning and disinfecting of vehicles, transit centers and other facilities, encouraging social distancing, mandating the use of face masks and protective barriers, and other measures to prevent community spread of the virus all became part of the new normal.

The unfortunate reality is that COVID-19 is still very much an active public health and economic crisis. This is clearly evident by the recent spike in new cases in communities across Hampton Roads.

HRT is actively tracking the data. The Essential Service Plan that launched in March ended in concert with Governor Northam's announcement that Hampton Roads was transitioning to a "Phase 3" re-opening. We are monitoring events, however, and will be prepared to reinstitute service changes as warranted.

I strongly urge everyone to remain diligent – practice social distancing, use face masks, and take other measures to stay safe and healthy and limit the potential for spreading the virus.

As we consider the future, it remains vitally important to establish new partnerships with private, non-profit organizations and other public sector stakeholders to re-imagine transit's role and, perhaps, re-tool our mix of services to meet the needs of Hampton Roads in a post-COVID-19 world. This will be challenging. But it will be necessary to achieve HRT's vision of being ***"a progressive mobility agency that promotes prosperity across Hampton Roads."***

COVID-19 has been an unwelcome and disruptive event in every possible way. Our thoughts and prayers are with those families, friends, co-workers, and neighbors who have been the most impacted. But we will recover and cannot let these present trials distract or derail us.

We have mission and vision to fulfill, and we will do so successfully because our customers and community partners need us.

Sincerely,



**William E. Harrell**  
President and CEO  
Hampton Roads Transit



## **Draft Financial Statement**

# JUNE 2020 FISCAL YEAR 2020 FINANCIAL REPORT

**gohrt.com**

# OPERATING FINANCIAL STATEMENTS

June 2020

FISCAL YEAR 2020 Dollars in Thousands	Annual		Month to Date			Year to Date			
	Budget	Budget	Actual	Variance		Budget	Actual	Variance	
<b>Operating Revenue</b>									
Passenger Revenue	\$ 14,312.0	\$ 1,188.1	\$ 60.7	\$ (1,127.4)	(94.9) %	\$ 14,312.0	\$ 10,839.3	\$ (3,472.7)	(24.3) %
Advertising Revenue	1,075.0	89.6	32.4	(57.2)	(63.9) %	1,075.0	1,002.9	(72.1)	(6.7) %
Other Transportation Revenue	2,088.6	174.1	192.0	17.9	10.3 %	2,088.6	2,302.3	213.7	10.2 %
Non-Transportation Revenue	60.0	5.0	112.6	107.6	2,151.6 %	60.0	329.0	269.0	448.3 %
<b>Total Operating Revenue</b>	<b>17,535.5</b>	<b>1,456.7</b>	<b>397.7</b>	<b>(1,059.0)</b>	<b>(72.7) %</b>	<b>17,535.5</b>	<b>14,473.4</b>	<b>(3,062.1)</b>	<b>(17.5) %</b>
<b>Non-Operating Revenue</b>									
Federal Funding	16,766.5	1,573.7	500.0	(1,073.7)	(68.2) %	16,766.5	3,578.6	(13,187.9)	(78.7) %
Fed - CARES Act			1,444.2	1,444.2	-		12,387.9	12,387.9	-
Fed Salary Reimbursement	1,550.4	-	-	-	-	1,550.4	746.9	(803.5)	(51.8)
State Funding	19,969.8	1,664.2	1,664.2	(0.0)	(0.0) %	19,969.8	19,969.8	0.0	0.0 %
State Emergency Funding			-	-	-		2,351.3	2,351.3	-
Local Funding	44,696.1	3,724.7	3,724.7	0.0	0.0 %	44,696.1	44,696.1	-	- %
<b>Total Non-Operating Revenue</b>	<b>82,982.8</b>	<b>6,962.5</b>	<b>7,333.0</b>	<b>370.6</b>	<b>5.3 %</b>	<b>82,982.8</b>	<b>83,730.6</b>	<b>747.8</b>	<b>0.9 %</b>
<b>TOTAL REVENUE</b>	<b>\$ 100,518.4</b>	<b>\$ 8,419.2</b>	<b>\$ 7,730.7</b>	<b>\$ (688.5)</b>		<b>\$ 100,518.4</b>	<b>\$ 98,204.1</b>	<b>\$ (2,314.3)</b>	
<b>Personnel Services</b>	<b>\$ 63,579.9</b>	<b>\$ 5,355.9</b>	<b>\$ 5,887.0</b>	<b>\$ (531.2)</b>	<b>(9.9) %</b>	<b>\$ 63,579.9</b>	<b>\$ 63,258.3</b>	<b>\$ 321.6</b>	<b>0.5 %</b>
Contract Services	9,657.4	788.9	1,191.4	(402.5)	(51.0) %	9,657.4	8,610.5	1,046.9	10.8 %
Materials & Supplies	5,036.0	408.8	468.8	(60.0)	(14.7) %	5,036.0	5,207.2	(171.2)	(3.4) %
Gas & Diesel	4,680.5	405.1	333.5	71.5	17.7 %	4,680.5	4,468.5	212.0	4.5 %
Contractor's Fuel Usage	807.3	67.3	71.8	(4.5)	(6.7) %	807.3	977.1	(169.8)	(21.0) %
Utilities	1,162.8	102.6	112.9	(10.4)	(10.1) %	1,162.8	1,111.2	51.6	4.4 %
Casualties & Liabilities	4,024.0	335.3	312.5	22.8	6.8 %	4,024.0	4,026.1	(2.2)	(0.1) %
Purchased Transportation	9,394.3	819.7	544.3	275.4	33.6 %	9,394.3	7,868.1	1,526.1	16.2 %
Other Miscellaneous Expenses	2,176.2	135.6	228.9	(93.3)	(68.8) %	2,176.2	1,950.4	225.8	10.4 %
<b>TOTAL EXPENSE</b>	<b>\$ 100,518.4</b>	<b>\$ 8,419.2</b>	<b>\$ 9,151.2</b>	<b>\$ (732.1)</b>		<b>\$ 100,518.4</b>	<b>\$ 97,477.6</b>	<b>\$ 3,040.8</b>	
<b>SURPLUS (DEFICIT)</b>			<b>(1,420.5)</b>				<b>726.5</b>		

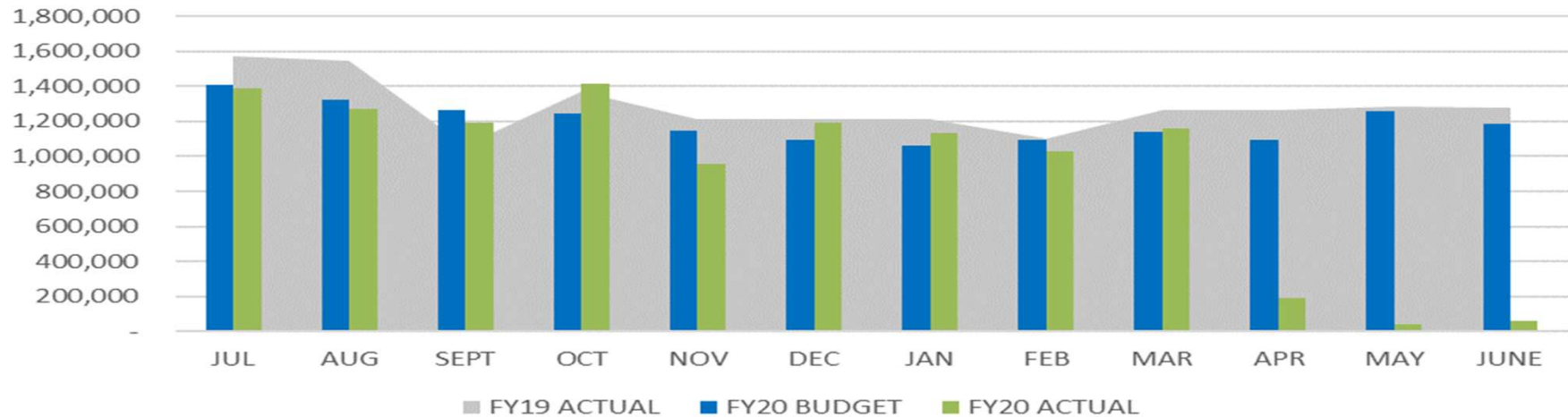
**Draft Financial Statement**



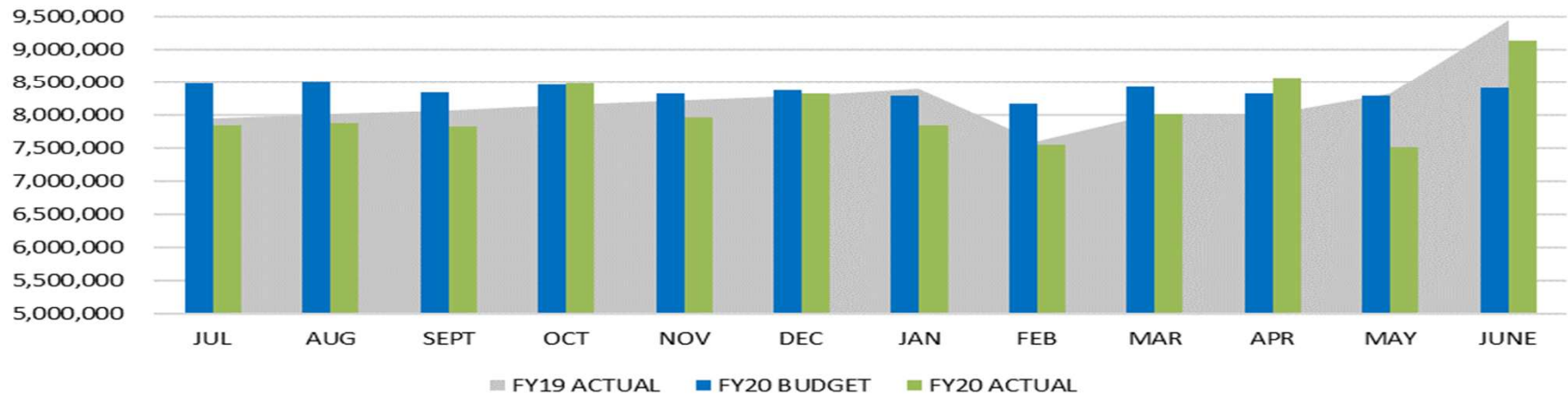
# OPERATING FINANCIAL STATEMENTS

June 2020

## Farebox Revenue



## Total Expenses



**Draft Financial Statement**



HAMPTON ROADS TRANSIT



# FY2020 CARES Funding

**[gohrt.com](http://gohrt.com)**

# CARES FUNDING DETAIL

June 2020

FISCAL YEAR 2020 Dollars in Thousands	Period 1/20-6/30/20
<b>REVENUE</b>	
Passenger Revenue	\$ 3,684.7 ①
Federal Traditional Funding	\$ 6,813.7 ②
Federal CARES Funding	\$ (12,387.9) ③
State Emergency Funding	\$ (2,351.3) ④
Local Funding	\$ 4,146.0 ⑤
Miscellaneous Revenue	\$ 94.8
<b>TOTAL REVENUE:</b>	<b>\$ (0.0)</b>
<b>CARES DRAW DETAIL</b>	
Personnel Services	\$ 8,061.9
Services	\$ 1,275.0
Materials & Supplies	\$ 1,278.4
Utilities	\$ 142.7
Casualties & Liabilities	\$ 501.8
Purchased Transportation	\$ 859.8
Other Miscellaneous Expenses	\$ 268.3
<b>NET EXPENSE:</b>	<b>\$ 12,387.9 ⑥</b>

1. Shortfall in Passenger Revenue
2. Traditional Federal Aid less than budget by \$10M
3. Federal CARES funding used to cover Net Expense, replaces \$10M in traditional Federal Aid
4. State Emergency Aid used to cover passenger revenue shortfall
5. Reflects locality ESP Refund & CAA true-up
6. Net Expense includes \$2.3M in COVID expenses

**Draft Financial Statement**



HAMPTON ROADS TRANSIT



# FY2020 ESSENTIAL SERVICE PLAN (ESP) REFUND

[gohrt.com](http://gohrt.com)

# ESP REFUND CALCULATION

June 2020

COST PER HOUR USING <b>BUDGETED</b> SERVICE HOURS					
Mode	Actual YTD June Expenses	Budgeted Service Hours	Modal Cost/Hour	Non-Modal Cost/Hour	Total Cost/Hour
Bus	\$ 51,275,727	777,375	\$ 65.96	\$ 22.87	\$ <b>88.83</b>
LRT	\$ 9,074,037	30,084	\$ 301.63	\$ 22.87	\$ <b>324.50</b>
Ferry	\$ 1,392,323	6,921	\$ 201.17	\$ 22.87	\$ <b>224.05</b>
Paratransit	\$ 8,218,646	239,680	\$ 34.29	\$ 22.87	\$ <b>57.16</b>
Non-Modal (Net)	\$ 24,110,849	1,054,059	\$ 22.87		

COST PER HOUR USING <b>ACTUAL</b> SERVICE HOURS					
Mode	Actual YTD June Expenses	YTD June Service Hours	Modal Cost/Hour	Non-Modal Cost/Hour	Total Cost/Hour
Bus	\$ 51,275,727	691,931	\$ 74.11	\$ 25.71	\$ <b>99.82</b>
LRT	\$ 9,074,037	26,029	\$ 348.61	\$ 25.71	\$ <b>374.32</b>
Ferry	\$ 1,392,323	6,180	\$ 225.30	\$ 25.71	\$ <b>251.01</b>
Paratransit	\$ 8,218,646	213,636	\$ 38.47	\$ 25.71	\$ <b>64.18</b>
Non-Modal (Net)	\$ 24,110,849	937,776	\$ 25.71		

COST PER HOUR <b>COMPARISON</b>				
Mode	Actual Service Hours	Budgeted Service Hours	Cost/Hour Variance	
Bus	\$ 99.82	\$ 88.83	\$ <b>10.98</b>	
LRT	\$ 374.32	\$ 324.50	\$ <b>49.82</b>	
Ferry	\$ 251.01	\$ 224.05	\$ <b>26.96</b>	

**Draft Financial Statement**



HAMPTON ROADS TRANSIT

# ESP REFUND CALCULATION (cont.)

June 2020

LOCALITY ESP SERVICE REFUND CALCULATION						
Locality By Mode	Actual Service Hours	Cost/Hour Variance	Local Contribution %	\$/Hour Refund	Total ESP Service Refund	
Local Bus:						
Chesapeake	40,748	\$ 10.98	48.4%	\$ 5.32	\$ 216,733	
Norfolk	236,987	\$ 10.98	45.8%	\$ 5.03	\$1,191,039	
Portsmouth	45,152	\$ 10.98	48.9%	\$ 5.37	\$ 242,514	
Virginia Beach	114,868	\$ 10.98	48.2%	\$ 5.29	\$ 607,862	
Hampton	73,927	\$ 10.98	47.4%	\$ 5.21	\$ 385,154	
Newport News	128,654	\$ 10.98	46.3%	\$ 5.09	\$ 654,292	
Total Local Bus:	640,336				\$3,297,593	
LRT:						
Norfolk	26,029	\$ 49.82	64.1%	\$ 31.92	\$ 830,970	
Total LRT:	26,029				\$ 830,970	
Ferry:						
Norfolk	2,816	\$ 26.96	8.7%	\$ 2.35	\$ 6,626	
Portsmouth	2,909	\$ 26.96	8.7%	\$ 2.35	\$ 6,846	
Total Local Ferry:	5,725				\$ 13,472	
Total Locality:					\$4,142,035	

## Local Contribution %:

- ✓ Current % of local funding for each service hour (locality specific)

## \$/Hour Refund:

- ✓ Refund calculation based on the local contribution portion of the increase in cost per service hour

**Draft Financial Statement**

# TOTAL LOCALITY BENEFIT

June 2020

Dollars in Thousands

LOCALITY <b>BENEFIT</b> RECAP						
Locality	Prelim. June Budget Status	ESP Service Hour Refund	Hold Harmless Credit	State Emergency Aid (Farebox)	Total Locality Benefit	
Chesapeake	\$ (71.3)	\$ 216.7	\$ 840.1	\$ 160.5	\$	1,146.0
Norfolk	\$ 17.5	\$ 2,028.6	\$ 265.6	\$ 868.5	\$	3,180.2
Portsmouth	\$ (101.3)	\$ 249.4	\$ 132.9	\$ 236.6	\$	517.6
Virginia Beach	\$ 339.5	\$ 607.9	\$ 1,536.9	\$ 283.6	\$	2,767.9
Hampton	\$ (112.8)	\$ 385.2	\$ 189.4	\$ 325.1	\$	786.9
Newport News	\$ (67.7)	\$ 654.3	\$ 199.1	\$ 477.0	\$	1,262.7
<b>Total Locality:</b>	<b>\$ 3.9</b>	<b>\$ 4,142.1</b>	<b>\$ 3,164.0</b>	<b>\$ 2,351.3</b>	<b>\$</b>	<b>9,661.3</b>

## Total Locality Benefit includes:

- ✓ \$3,900 true-up using traditional CAA methodology
- ✓ \$4.1M refund based on lost service hours due to the ESP
- ✓ \$3.2M in recordation hold harmless credits which reduces locality contribution in FY2021
- ✓ \$2.4M in State Emergency Aid used to cover locality farebox shortfall

**Draft Financial Statement**



# FY2020 PRELIMINARY STATEMENT & LOCALITY RECONCILIATION SLIDES

**[gohrt.com](http://gohrt.com)**



# LOCALITY CROSSWALK

Preliminary FY2020

PRELIMINARY FISCAL YEAR END 2020					
FISCAL YEAR 2020 Dollars in Thousands	Annual Budget	Locality	Non-Locality	Consolidated	Variance + / (-)
<b>REVENUE</b>					
Passenger Revenue	\$ 14,312.0	\$ 10,182.1	\$ 657.2	\$ 10,839.3	\$ (3,472.7)
Advertising Revenue	\$ 1,075.0	\$ 946.5	\$ 56.4	\$ 1,002.9	\$ (72.1)
Other Transportation Revenue	\$ 2,088.6	\$ -	\$ 2,302.3	\$ 2,302.3	\$ 213.7
Non-Transportation Revenue	\$ 60.0	\$ 70.7	\$ 258.3	\$ 329.0	\$ 269.0
Federal Funding (PM 5307 & 5337)	\$ 16,766.5	\$ 5,651.2	\$ 2,069.5	\$ 7,720.7	\$ (9,045.8)
Federal CARES Act Funding	\$ -	\$ 12,387.9	\$ -	\$ 12,387.9	\$ 12,387.9
Project Salary Reimbursement	\$ 1,550.4	\$ 704.9	\$ 42.0	\$ 746.9	\$ (803.5)
State Funding	\$ 19,969.8	\$ 18,776.9	\$ 1,192.9	\$ 19,969.8	\$ -
State Emergency Funding	\$ -	\$ 2,351.3	\$ -	\$ 2,351.3	\$ 2,351.3
Local Funding	\$ 44,696.1	\$ 44,696.1	\$ -	\$ 44,696.1	\$ -
<b>TOTAL REVENUE:</b>	<b>\$ 100,518.4</b>	<b>\$ 95,767.6</b>	<b>\$ 6,578.6</b>	<b>\$ 102,346.2</b>	<b>\$ 1,827.8</b>
<b>EXPENSE</b>					
Personnel Services	\$ 63,579.9	\$ 59,458.1	\$ 3,800.2	\$ 63,258.3	\$ 321.6
Services	\$ 9,655.4	\$ 8,093.2	\$ 517.3	\$ 8,610.5	\$ 1,044.9
Materials & Supplies	\$ 10,536.0	\$ 10,012.8	\$ 640.0	\$ 10,652.8	\$ (116.8)
Utilities	\$ 1,162.8	\$ 1,044.5	\$ 66.8	\$ 1,111.3	\$ 51.5
Casualties & Liabilities	\$ 4,024.0	\$ 3,784.3	\$ 241.9	\$ 4,026.2	\$ (2.2)
Purchased Transportation	\$ 9,394.3	\$ 7,395.4	\$ 472.7	\$ 7,868.1	\$ 1,526.2
Other Miscellaneous Expenses	\$ 2,166.0	\$ 1,833.3	\$ 117.1	\$ 1,950.4	\$ 215.6
<b>TOTAL EXPENSE:</b>	<b>\$ 100,518.4</b>	<b>\$ 91,621.6</b>	<b>\$ 5,856.0</b>	<b>\$ 97,477.6</b>	<b>\$ 3,040.8</b>
<b>TOTAL PROJECTED SURPLUS/(DEFICIT):</b>	<b>\$ -</b>	<b>\$ 4,146.0</b>	<b>\$ 722.6</b>	<b>\$ 4,868.6</b>	<b>\$ 4,868.6</b>



HAMPTON ROADS TRANSIT

**Draft Financial Statement**

# LOCALITY RECONCILIATION

June 2020

FISCAL YEAR 2020 (Dollars in Thousands)	Total Local			
	Annual Budget	PRELIMINARY JUNE 2020		
		Budget	Actual	Variance
Locality Operating Share	\$ 44,696.1	\$ 44,696.1	\$ 44,696.1	\$ -
Plus: Local Farebox	\$ 13,431.7	\$ 13,431.7	\$ 10,182.1	\$ (3,249.6)
Locality Share - Sub-Total	\$ 58,127.8	\$ 58,127.8	\$ 54,878.2	\$ (3,249.6)
Plus: Federal Aid	\$ 14,948.5	\$ 14,948.5	\$ 13,897.0	\$ (1,051.5)
State Aid	\$ 18,776.9	\$ 18,776.9	\$ 18,776.9	\$ -
State Emergency Aid	\$ -	\$ -	\$ 2,351.3	\$ 2,351.3
Total Revenue Contribution	\$ 91,853.2	\$ 91,853.2	\$ 89,903.4	\$ (1,949.8)
Operating Expenses	\$ 91,853.2	\$ 91,853.2	\$ 89,899.5	\$ (1,953.7)
Budget Status (Before ESP Refund)				\$ 3.9
Essential Service Plan Refund				\$ 4,142.1
<b>Total Locality Refund *</b>				<b>\$ 4,146.0</b>
Hold Harmless Credit				\$ 3,164.0
State Emergency Aid (Farebox)				\$ 2,351.3
<b>Total Locality Benefit</b>				<b>\$ 9,661.3</b>

\* Refund distributed to Localities after audited financial statement acceptance by Commission.



HAMPTON ROADS TRANSIT

**Draft Financial Statement**

# LOCALITY RECONCILIATION

June 2020

FISCAL YEAR 2020 (Dollars in Thousands)	Chesapeake			
	Annual Budget	PRELIMINARY JUNE 2020		
		Budget	Actual	Variance
Locality Operating Share	\$ 2,691.4	\$ 2,691.4	\$ 2,691.4	\$ -
Plus: Local Farebox	\$ 723.5	\$ 723.5	\$ 520.5	\$ (203.0)
Locality Share - Sub-Total	\$ 3,414.9	\$ 3,414.9	\$ 3,211.9	\$ (203.0)
Plus: Federal Aid	\$ 913.6	\$ 913.6	\$ 876.3	\$ (37.3)
State Aid	\$ 1,079.7	\$ 1,079.7	\$ 1,079.7	\$ -
State Emergency Aid	\$ -	\$ -	\$ 160.6	\$ 160.6
Total Revenue Contribution	\$ 5,408.2	\$ 5,408.2	\$ 5,328.5	\$ (79.7)
Operating Expenses	\$ 5,408.2	\$ 5,408.2	\$ 5,399.8	\$ (8.4)
Budget Status (Before ESP Refund)				\$ (71.3)
Essential Service Plan Refund				\$ 216.7
<b>Total Locality Refund</b>				<b>\$ 145.4</b>
Hold Harmless Credit				\$ 840.1
State Emergency Aid (Farebox)				\$ 160.6
<b>Total Locality Benefit</b>				<b>\$ 1,146.1</b>

**Draft Financial Statement**



HAMPTON ROADS TRANSIT

# LOCALITY RECONCILIATION

June 2020

FISCAL YEAR 2020 (Dollars in Thousands)	Newport News			
	Annual Budget	PRELIMINARY JUNE 2020		
		Budget	Actual	Variance
Locality Operating Share	\$ 7,373.8	\$ 7,373.8	\$ 7,373.8	\$ -
Plus: Local Farebox	\$ 2,244.9	\$ 2,244.9	\$ 1,842.0	\$ (402.9)
Locality Share - Sub-Total	\$ 9,618.7	\$ 9,618.7	\$ 9,215.8	\$ (402.9)
Plus: Federal Aid	\$ 2,709.0	\$ 2,709.0	\$ 2,574.8	\$ (134.2)
State Aid	\$ 3,168.2	\$ 3,168.2	\$ 3,168.2	\$ -
State Emergency Aid	\$ -	\$ -	\$ 477.0	\$ 477.0
Total Revenue Contribution	\$ 15,495.9	\$ 15,495.9	\$ 15,435.8	\$ (60.1)
Operating Expenses	\$ 15,495.9	\$ 15,495.9	\$ 15,503.5	\$ 7.6
Budget Status (Before ESP Refund)				\$ (67.7)
Essential Service Plan Refund				\$ 654.3
<b>Total Locality Refund</b>				<b>\$ 586.6</b>
Hold Harmless Credit				\$ 199.1
State Emergency Aid (Farebox)				\$ 477.0
<b>Total Locality Benefit</b>				<b>\$ 1,262.7</b>

**Draft Financial Statement**

# LOCALITY RECONCILIATION

June 2020

FISCAL YEAR 2020 (Dollars in Thousands)	Hampton			
	Annual Budget	PRELIMINARY JUNE 2020		
		Budget	Actual	Variance
Locality Operating Share	\$ 4,657.6	\$ 4,657.6	\$ 4,657.6	\$ -
Plus: Local Farebox	\$ 1,255.4	\$ 1,255.4	\$ 1,015.8	\$ (239.6)
Locality Share - Sub-Total	\$ 5,913.0	\$ 5,913.0	\$ 5,673.4	\$ (239.6)
Plus: Federal Aid	\$ 1,628.0	\$ 1,628.0	\$ 1,585.3	\$ (42.7)
State Aid	\$ 1,918.6	\$ 1,918.6	\$ 1,918.6	\$ -
State Emergency Aid	\$ -		\$ 325.0	\$ 325.0
Total Revenue Contribution	\$ 9,459.6	\$ 9,459.6	\$ 9,502.3	\$ 42.7
Operating Expenses	\$ 9,459.6	\$ 9,459.6	\$ 9,615.1	\$ 155.5
Budget Status (Before ESP Refund)				\$ (112.8)
Essential Service Plan Refund				\$ 385.2
<b>Total Locality Refund</b>				<b>\$ 272.4</b>
Hold Harmless Credit				\$ 189.4
State Emergency Aid (Farebox)				\$ 325.0
<b>Total Locality Benefit</b>				<b>\$ 786.8</b>

**Draft Financial Statement**

# LOCALITY RECONCILIATION

June 2020

FISCAL YEAR 2020 (Dollars in Thousands)	Norfolk			
	Annual Budget	PRELIMINARY JUNE 2020		
		Budget	Actual	Variance
Locality Operating Share	\$ 19,386.5	\$ 19,386.5	\$ 19,386.5	\$ -
Plus: Local Farebox	\$ 6,343.1	\$ 6,343.1	\$ 4,671.7	\$ (1,671.4)
Locality Share - Sub-Total	\$ 25,729.6	\$ 25,729.6	\$ 24,058.2	\$ (1,671.4)
Plus: Federal Aid	\$ 5,768.9	\$ 5,768.9	\$ 5,093.1	\$ (675.8)
State Aid	\$ 8,173.2	\$ 8,173.2	\$ 8,173.2	\$ -
State Emergency Aid	\$ -	\$ -	\$ 868.5	\$ 868.5
Total Revenue Contribution	\$ 39,671.7	\$ 39,671.7	\$ 38,193.0	\$ (1,478.7)
Operating Expenses	\$ 39,671.7	\$ 39,671.7	\$ 38,175.5	\$ (1,496.2)
Budget Status (Before ESP Refund)				\$ 17.5
Essential Service Plan Refund				\$ 2,028.6
<b>Total Locality Refund</b>				<b>\$ 2,046.1</b>
Hold Harmless Credit				\$ 265.6
State Emergency Aid (Farebox)				\$ 868.5
<b>Total Locality Benefit</b>				<b>\$ 3,180.2</b>

**Draft Financial Statement**



HAMPTON ROADS TRANSIT

# LOCALITY RECONCILIATION

June 2020

FISCAL YEAR 2020 (Dollars in Thousands)	Portsmouth			
	Annual Budget	PRELIMINARY JUNE 2020		
		Budget	Actual	Variance
Locality Operating Share	\$ 2,837.3	\$ 2,837.3	\$ 2,837.3	\$ -
Plus: Local Farebox	\$ 850.4	\$ 850.4	\$ 637.2	\$ (213.2)
Locality Share - Sub-Total	\$ 3,687.7	\$ 3,687.7	\$ 3,474.5	\$ (213.2)
Plus: Federal Aid	\$ 1,204.6	\$ 1,204.6	\$ 1,298.9	\$ 94.3
State Aid	\$ 1,227.0	\$ 1,227.0	\$ 1,227.0	\$ -
State Emergency Aid	\$ -	\$ -	\$ 236.6	\$ 236.6
Total Revenue Contribution	\$ 6,119.3	\$ 6,119.3	\$ 6,237.0	\$ 117.7
Operating Expenses	\$ 6,119.3	\$ 6,119.3	\$ 6,338.3	\$ 219.0
Budget Status (Before ESP Refund)				\$ (101.3)
Essential Service Plan Refund				\$ 249.4
<b>Total Locality Refund</b>				<b>\$ 148.1</b>
Hold Harmless Credit				\$ 132.9
State Emergency Aid (Farebox)				\$ 236.6
<b>Total Locality Benefit</b>				<b>\$ 517.6</b>

**Draft Financial Statement**



HAMPTON ROADS TRANSIT

# LOCALITY RECONCILIATION

June 2020

FISCAL YEAR 2020 (Dollars in Thousands)	Virginia Beach			
	Annual Budget	PRELIMINARY JUNE 2020		
		Budget	Actual	Variance
Locality Operating Share	\$ 7,749.5	\$ 7,749.5	\$ 7,749.5	\$ -
Plus: Local Farebox	\$ 2,014.4	\$ 2,014.4	\$ 1,494.9	\$ (519.5)
Locality Share - Sub-Total	\$ 9,763.9	\$ 9,763.9	\$ 9,244.4	\$ (519.5)
Plus: Federal Aid	\$ 2,724.4	\$ 2,724.4	\$ 2,468.6	\$ (255.8)
State Aid	\$ 3,210.2	\$ 3,210.2	\$ 3,210.2	\$ -
State Emergency Aid	\$ -	\$ -	\$ 283.6	\$ 283.6
Total Revenue Contribution	\$ 15,698.5	\$ 15,698.5	\$ 15,206.8	\$ (491.7)
Operating Expenses	\$ 15,698.5	\$ 15,698.5	\$ 14,867.3	\$ (831.2)
Budget Status (Before ESP Refund)				\$ 339.5
Essential Service Plan Refund				\$ 607.9
<b>Total Locality Refund</b>				<b>\$ 947.4</b>
Hold Harmless Credit				\$ 1,536.9
State Emergency Aid (Farebox)				\$ 283.6
<b>Total Locality Benefit</b>				<b>\$ 2,767.9</b>



**Draft Financial Statement**

HAMPTON ROADS TRANSIT



<b>Contract No.:</b>	20-00098	<b>Title:</b>	Construction and Installation of Charging Stations	<b>Total Price:</b>	\$1,266,594
----------------------	----------	---------------	--	---------------------	-------------

**Acquisition Description:** Enter into a sole source contract with Proterra, Inc. (Proterra) for the construction and installation of chargers and remote dispensers (“Charging Stations”) to support electric buses.

**Background:** Hampton Roads Transit (HRT), in partnership with Proterra submitted a fiscal year 2018 FTA Low-No emission grant program for six (6) 40' battery electric buses and seven (7) associated charging equipment. The grant application was successful and on September 26, 2019, HRT entered into a “piggyback” agreement with Proterra for the purchase of the buses. HRT issued a contract to Proterra on December 12, 2019 for the design of the charging infrastructure.

HRT has made a commitment to the FTA to introduce the buses into service by the summer of 2020. The electric buses will be used exclusively on the Route 20, the busiest bus route in the Commonwealth of Virginia. As a result, the Route 20 will be served entirely by no emission electric buses.

The six (6) electric buses are to be delivered to HRT no later than August 31, 2020. At such time, HRT is required to destroy an equivalent number of diesel buses that previously served the Route 20. Proterra requires a separate charging station installation agreement with HRT so that it can place an order for the necessary charging station equipment.

**Contract Approach:** Due to the urgent and proprietary nature of this solicitation, full and open competition was not a feasible method of Procurement. Sole Source/Emergency procurements are accomplished through solicitation, negotiation, and acceptance of a proposal from only one source. Proterra buses must utilize Proterra charging stations in order to charge the electric buses.

Proposals were received from Proterra for the construction and installation of the charging stations, as well as the charging stations themselves. Based on the independent cost estimate, Proterra’s proposals are deemed fair and reasonable.

**Comments & Special Circumstances:** Emergency award of the Contract was necessary due to an unforeseeably accelerated agreement to be executed sooner than anticipated as a result of the emergent situation created by the COVID-19 pandemic. In the event a separate contract for charging stations is not entered into by HRT or is otherwise substantially delayed, HRT is at risk of having a sub-fleet of electric buses that are unusable as they will not be able to be charged. (Temporary mobile charging units are not an option.) Accordingly, HRT risks substantial service disruption if it must continue to provide service with a reduced traditional diesel fleet. Accordingly, an emergency procurement is necessary and appropriate to avoid this risk.

<b>Contract No.:</b>	20-00098	<b>Title:</b>	Construction and Installation of Charging Stations	<b>Total Price:</b>	\$1,266,594
----------------------	----------	---------------	--	---------------------	-------------

Section 12.7 of the HRT Procurement Policy and Procedures Manual permits the President and CEO to authorize the award of contracts exceeding the threshold for Commission approval in cases when emergency action is required to prevent loss of life, damage to property, a threat to public safety or the environment, or the disruption of transit service or other essential functions of the Commission. On July 2, 2020, the President and CEO authorized the provision of construction and installation of chargers and remote dispensers to support HRT's receipt of six (6) electric buses under this emergency authorization in accordance with the Commonwealth of Virginia's current State of Emergency. Section 12.7 requires the Commission to confirm the emergency award at its next scheduled meeting.

**Cost/Funding:** This contract will be funded by Grant Funds.

**Project Manager:** Sibyl Pappas, Chief Engineering and Facilities Officer

**Contracting Officer:** Sonya Luther, Director of Procurement

**Recommendation:** It is respectfully recommended that the Commission confirm the award of a contract to Proterra, Inc. to provide the construction and installation of chargers and remote dispensers in the not-to-exceed amount of \$1,266,594.

<b>Contract No:</b>	20-00094	<b>Title:</b>	Information Technology Research and Advisory Services	<b>Base Year Price:</b> <b>Option Year Price:</b>	\$191,992 \$197,753
---------------------	----------	---------------	---	--	------------------------

**Acquisition Description:** Enter into a sole source service contract with Gartner, Inc. (Gartner) to provide information technology research and advisory services.

**Background:** Hampton Roads Transit's (HRT's) Information Technology Department requires the services of a research and advisory firm to provide technical assistance and support to improve performance and reduce risks associated with a multitude of Technology projects. With HRT's limited technical staffing resources, Gartner has proven to be a definitive and cost-effective method for HRT Technology Management to provide both strategic expertise and timely insight into all of the Agency's key technology initiatives. Under the terms of this agreement, Gartner will provide technical assistance to HRT's Technology Department to drive HRT's technology related mission and vision. Research and advisory assistance includes, but is not limited to: contract/cost optimization services; analysis and research; consulting services; benchmarking; peer networking; access to webinars and seminars; and, access to resources in a workgroup environment.

**Contract Approach:** FTA and Virginia Public Procurement Act guidelines allow non-competitive procurements 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. Gartner is the industry standard for providing research, information technology (IT) contract review, IT key metrics data, peer networking and expertise across a wide range of IT solutions. Sole Source procurements are accomplished through solicitation and acceptance of a proposal from only one source.

A solicitation was issued on June 25, 2020 and Gartner provided a responsive proposal on June 30, 2020 in the amount of \$389,745. The proposal included an annual cost to provide these services over the two-year contract term.

Based on the results of a price analysis performed utilizing historical data and the current Gartner State and Local Government pricing, the proposed pricing is deemed fair and reasonable. A contractor responsibility review confirmed that Gartner is both technically and financially capable to provide the services described in the Scope of Work.

Gartner is headquartered in Stamford, CT and has provided these services for municipalities throughout the Commonwealth of Virginia and HRT satisfactorily.

The period of performance for this Contract is one (1) base year, with one (1) additional one-year option.

<b>Contract No:</b>	20-00094	<b>Title:</b>	Information Technology Research and Advisory Services	<b>Base Year Price:</b> <b>Option Year Price:</b>	\$191,992 \$197,753
---------------------	----------	---------------	---	--	------------------------

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

**Project Manager:** Michael Price, Chief Technology Officer/Chief Information Officer

**Contracting Officer:** Jason Petruska, Senior Contract Specialist

**Recommendation:** It is respectfully recommended that the Commission approve the award of a sole source contract to Gartner, Inc. to provide information technology research and advisory services in the not-to-exceed amount of \$389,745 for two (2) years.

<b>Contract No:</b>	20-00080	<b>Title:</b>	Microsoft Dynamics 365 Support Services	<b>Price: Term:</b>	\$1,120,000 1 yr. w/2-1 yr. options
---------------------	----------	---------------	---	-------------------------	---

**Acquisition Description:** Award a sole source Contract to Crowe LLP to provide support services for Hampton Roads Transit's (HRT's) Microsoft Dynamics 365 financial software.

**Background:** In May 2017, the Commission approved the award of a contract to Crowe Horwath LLP (now known as Crowe LLP or "Crowe") for implementation of Microsoft Dynamics Financials and Operations software as HRT's new financial software system. HRT implemented the new Financial Software system on October 1, 2019. Phase 1 consisted of implementing Core Financial modules. Phase 2 consists of implementing Fixed Assets, Interfaces and completing the remainder of original contract tasks. Phase 3 consists of interfaces to support implementation of HRT's new Enterprise Asset Management system.

Under the previous contract, Crowe continued to support HRT with three (3) months of post-implementation support to stabilize the new implementation. The current state of implementation deems additional critical work required to continue to stabilize the implementation with additional support of issues, reports, integrations, training and working with HRT through upcoming critical agency activities with the new system.

Integrated with Microsoft Dynamics 365 Finance and Operations is Crowe's Transportation Accelerator which provides enhanced functionality for Transportation customers. This enhanced functionality supports HRT with the ability to effectively manage needed Financials and Inventory processes. This is owned by Crowe and Crowe has been working with HRT on noted activities. Crowe has needed intimate insight to base Microsoft Dynamics 365 Finance and Operations software, their Transportation Accelerator and HRT Business objectives and processes to support the aggressive timelines to meet needed target dates.

In order to keep continuity of this critical project to effectively stabilize and support upcoming year end agency activities, it is imperative for HRT to retain the services of Crowe resources currently assigned to HRT to complete.

**Contract Approach:** FTA and Virginia Public Procurement Act guidelines allow non-competitive emergency procurements 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 (1) source. This Contract may be awarded on a sole source basis as the implementation and support of the Microsoft Dynamics 365 software is unique to HRT's system. In the event HRT were to switch implementation and maintenance providers at this point in the project, it is likely to result in substantial duplication costs and substantial delays to the detriment of the Agency.

<b>Contract No:</b>	20-00080	<b>Title:</b>	Microsoft Dynamics 365 Support Services	<b>Price: Term:</b>	\$1,120,000 1 yr. w/2-1 yr. options
---------------------	----------	---------------	---	-------------------------	--

A Request for Proposal was issued April 15, 2020 and Crowe provided a responsive proposal on April 23, 2020. Negotiations and discussions were held with Crowe on May 5, 2020 for the purpose of a possible award. Negotiations and discussions focused on clarifying Scope of Work items, exceptions taken to the terms and conditions, and further clarification to the Price Schedule. As a result of the negotiations, a final offer was received from Crowe on June 10, 2020. The Price Schedule required Crowe to provide hourly labor rates for the various labor categories that may be required for the duration of the Contract.

Based on a price analysis performed utilizing historical pricing, Crowe's proposed pricing is deemed fair and reasonable. A contractor responsibility review confirmed that Crowe is both technically and financially capable to perform the work.

**Comments & Special Circumstances:** Emergency award of the Contract was necessary in order for HRT to continue without delay in support due to critical stabilization and year-end tasks. Failure to complete these tasks will have a domino effect on reporting obligations of the agency, such as the external audit, National Transit Database reporting, and cost allocation.

Section 12.7 of the HRT Procurement Policy and Procedures Manual permits the President and CEO to authorize the award of contracts exceeding the threshold for Commission approval in cases when emergency action is required to prevent loss of life, damage to property, a threat to public safety or the environment, or the disruption of transit service or other essential functions of the Commission. On June 17, 2020, the President and CEO authorized the issuance of a Contract under this emergency authorization in accordance with the Commonwealth of Virginia's current State of Emergency. Section 12.7 requires the Commission to confirm the emergency award at its next scheduled meeting.

Crowe is headquartered in Chicago, IL and has provided previous services to HRT satisfactorily.

The period of performance for this contract 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 grant and operating funds.

**Co-Project Managers:** Glenda Dixon, Director of ERP Services  
Debbie Ball, Director of Finance

**Contracting Officer:** Sonya Luther, Director of Procurement

<b>Contract No:</b>	20-00080	<b>Title:</b>	Microsoft Dynamics 365 Support Services	<b>Price: Term:</b>	\$1,120,000 1 yr. w/2-1 yr. options
---------------------	----------	---------------	---	-------------------------	--

**Recommendation:** It is respectfully recommended that the Commission confirm the award of a Contract to Crowe LLP to continue support and maintenance services for HRT's Microsoft Dynamics 365 financial system in the not-to-exceed amount of \$1,120,000 for three (3) years.

<b>Contract No:</b>	20-00060	<b>Title:</b>	Passenger Shelter Fabrication and Installation (Renewal)	<b>Base Years Price: Total Option Years' Price:</b>	\$985,976 \$2,427,738 w/3-1 yr. options
---------------------	----------	---------------	--	---	---

**Acquisition Description:** Enter into a renewal contract with a qualified Contractor to fabricate and install passenger shelters on a Task Order (TO) basis.

**Background:** Hampton Roads Transit (HRT) is seeking a qualified Contractor to fabricate and install passenger shelters on a TO basis for more than seventy (70) inter-connected bus routes covering the six (6) jurisdictions in Hampton Roads. Under the terms of this agreement, the Contractor shall provide labor, materials, equipment, and transportation necessary for the fabrication and installation of new passenger shelters as well as spare parts for existing passenger shelters. The Contractor shall be familiar with transit operations and Americans with Disabilities Act (ADA) requirements. Additionally, the Contractor shall supply a one (1) year warranty on all new passenger shelters.

**Contract Approach:** A Request for Proposals (RFP) was issued on February 13, 2020. Two (2) proposals were received on March 20, 2020 from Duo-Gard Industries, Inc. (Duo-Gard) and Columbia Equipment Company, Inc. (Columbia).

Upon review and evaluation of the technical proposals, Duo-Gard, was deemed the most technically qualified to meet the requirements of the Scope of Work (SOW) and as such, were invited for discussions and negotiations. Negotiations focused on reducing Duo-Gard's proposed unit prices. At the conclusion of negotiations, a Best and Final Offer (BAFO) was requested.

After an analysis of the BAFO received, HRT Staff determined that Duo-Gard provided the best value to HRT based on a combination of technical capability and price. Duo-Gard's total pricing decreased by \$131,114, or 3.84%. Based on the results of the negotiations and a price analysis performed utilizing historical data, Duo-Gard's BAFO is deemed fair and reasonable. A contractor responsibility review confirmed that Duo-Gard is technically and financially capable to perform the work.

Duo-Gard, headquartered in Canton, MI, has provided similar services to Ann Arbor Transit Authority in Ann Arbor, MI; Capital Area Transit Authority in Lansing, MI; and, Central Ohio Transit Authority in Columbus, OH. Duo-Gard also currently provides these services to HRT satisfactorily.

The Contract period of performance is two (2) base years, with three (3) additional one-year options.

A DBE goal of 10% was established for this solicitation. Duo-Gard has committed to DBE participation and has been approved by HRT's DBE and Grant's Coordinator.



<b>Contract No:</b>	20-00060	<b>Title:</b>	Passenger Shelter Fabrication and Installation (Renewal)	<b>Base Years Price: Total Option Years' Price:</b>	\$985,976  \$2,427,738 w/3-1 yr. options
---------------------	----------	---------------	--	---	---

**Cost/Funding:** This Contract will be funded with grant and operating funds.

**Project Manager:** Don Lint, Construction Projects Coordinator

**Contracting Officer:** Jason Petruska, Senior Contract Specialist

**Recommendation:** It is respectfully recommended that the Commission approve the award of a renewal contract to Duo-Gard Industries, Inc. to provide passenger shelter fabrication and installation in the not-to-exceed amount of \$3,413,714 over a five-year period.

<b>Duo-Gard Industries, Inc. Summary</b>				
<b>Base Years</b>	<b>Option Year 1</b>	<b>Option Year 2</b>	<b>Option Year 3</b>	<b>Total</b>
\$985,976	\$809,246	\$809,246	\$809,246	\$3,413,714

### **SOLICITATION RESULTS**

<b>OFFEROR</b>	<b>OFFER</b>	<b>BEST AND FINAL OFFER</b>
<b>Duo-Gard Industries, Inc.</b>	<b>\$3,544,828.00</b>	<b>\$3,413,714.00</b>
Columbia Equipment Company, Inc.	\$4,889,800.50	N/A