Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2018-0052, **File Type:** Contract **Agenda Number:** 32.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
MARCH 15, 2018

SUBJECT: CONTRACTED BUS SERVICES - NORTH REGION

ACTION: APPROVE CONTRACT MODIFICATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Modification No. 3 to Contract No. OP35903018 with Transdev Services, Inc. (Transdev) for North Region Contract Bus Services, increasing the total not-to-exceed contract value by $10,250,000 from $62,245,053 to $72,495,053.

ISSUE

Metro operates 18 bus lines that are contracted to private transportation companies. The North Region (San Fernando Valley) contractor, Transdev Services, Inc., currently operates six (6) of these bus lines (lines 96, 167, 177, 218, 501, and 603) and a portion of Metro's Dodger Stadium Express service. The maximum contract value has been reached; however, the contract's term will not be reached until August 2, 2018. Without modification to the contract value, there will be a lapse of service.

DISCUSSION

In April 2013, Metro Board of Directors approved the award of North Region contract bus services to Veolia Transportation (currently known as Transdev). That contract is scheduled to expire on August 2, 2018; due to an increase in the number of revenue service hours operated year-over-year during the course of the contract, the total contract value has been expended prior to the end of the contract term. Metro is currently in the request for proposals (RFP) process for a new contract in the North Region of Los Angeles County with an expected award during the month of June 2018.

This contract was awarded based on estimated annual revenue service hours (RSH) in the amount of 134,594 for the operation of five (5) lines for the duration of the five-year contract term. However, RSHs have increased by approximately 15.07% over the course of the contract term along with expanding the scope of the service. During the course of the North Region's contract, RSHs have increased annually to provide continuous service to customers. Due to these increases in scope and additional RSHs operated, a modification is required. The estimated increases have been budgeted in the Fiscal Year 18 Operations budget. Specifically, the increases are a result of the following:

- Dodger Stadium Express (DSE) service has been provided by the contractor from 2013 through the 2017 season. To date, the contractor has operated 12,432 RSH at a cost of $1,261,821. Additional costs of approximately $255,000 for 2,500 RSH are projected through the end of the contract term. The total forecasted expenditures are $1,516,821.
- Line 501 service has been provided by the contractor from 2016 to the present. As of December 2017, the contractor has operated 50,495 RSH at a cost of $5,125,227. Additional costs of approximately $1,400,700 for 13,800 RSH are projected through the end of the contract term. The total forecasted expenditures for Line 501 are $6,525,927.
- Service adjustments related to bus bridges and additional support over the course of the contract have resulted in an increase of 21,843 RSH at a cost of $2,207,251.

Metro, in cooperation with the Los Angeles Department of Transportation (LADOT), the Southern California Regional Rail Authority (Metrolink), and the Los Angeles Dodgers, has provided bus service between Union Station and Dodger Stadium since 2010. DSE service is used to mitigate the total gridlock situation encountered by attendees travelling to Dodgers stadium via Sunset Blvd. The Contractor performs a large portion of this service which has substantially grown over the course of the contract term. Since 2010, ridership on this service has grown 128% from 122,273 patrons to 278,623 patrons. Additionally, the 2016 National League Championship Series and the 2017 World Series increased service requirements. As this service operates on a load-and-go basis, additional trips and therefore RSHs, are needed each season as ridership has gradually increased.

In March 2016, year three (3) of the current contract, Metro developed and began the operation of a pilot bus service to operate from the Metro Gold Line in Pasadena to the North Hollywood Red/Orange Line Station. This service, named Line 501, provides transit service designed to mitigate some of the impact to travel in the region caused by the Interstate 5 construction project, as well as connecting residents of the San Gabriel Valley to Metro's Red and Orange Lines. Subsequent to the pilot program implementation public hearings were held, Title VI and Environmental reports were completed and the decision was made in April 2016 to continue the pilot bus service.

Staff is recommending approval of this Board action to provide sufficient contract funding for Metro's contractor, Transdev Services, Inc., to continue to perform all of the required services through the remainder of their contract term.

DETERMINATION OF SAFETY IMPACT

The continued provision of service by the current contractor, already familiar with the present equipment and service area, will allow for the safest operation of this service.

FINANCIAL IMPACT

The maximum contract value for the North Region Contract is $62,245,053. The requested increase of $10,250,000 would increase the not- to-exceed amount to $72,495,053. The amount of $10,250,000 will be derived from funds already allocated toward the operation of this service in the FY18 budget under Project 306001 - Operations Transportation, account 50801- Purchased Transportation. The existing FY18 budget of $18,420,820 is sufficient to execute this Contract Modification as a result of this Board action request.

Impact to Budget
The funds for this Contract Modification will come from various sources including operating eligible sales tax like Proposition A Discretionary, Proposition C Discretionary, TDA, Fares, and advertising that are eligible for use on Bus Operating projects. Use of these funding sources will maximize allowable funding allocations given approved provisions.

ALTERNATIVES CONSIDERED

Staff has also considered bringing the services in-house, to be operated at Metro bus divisions. Metro's Bus Operating Cost is $164.77 per RSH and the contractor's bus rate is $101.05 per RSH. Based on this comparison, it would cost Metro significantly more to operate these services in-house. Physical modifications would also be needed at existing divisions to accommodate the additional buses and division staff, and training would be required to operate and maintain the different types of buses currently used to provide contracted bus services.

NEXT STEPS

Upon Board approval, staff will execute Modification No. 3 with Trandev Services, Inc. to continue providing the services agreed upon until the replacement contract begins.
Metro staff will return to the Board in June 2018 with a recommendation to award the new contract currently under procurement.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary
Attachment D - Site Map

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PROCUREMENT SUMMARY

CONTRACTED BUS SERVICES – NORTH REGION / OP35903018

1.	**Contract Number**: OP35903018			
2.	**Contractor**: Transdev Services, Inc.			
3.	**Mod. Work Description**: Contract bus services for the North Region			
4.	**Contract Work Description**: Contracted Transportation Services for North Region of LA County			
5.	**The following data is current as of**: 2/28/18			
6.	**Contract Completion Status**		**Financial Status**	
	Contract Awarded:	4/18/13	**Contract Award Amount:**	$62,245,053
	Notice to Proceed (NTP):	5/3/13	**Total of Modifications Approved:**	$0.00
	Original Complete Date:	8/2/18	**Pending Modifications (including this action):**	$10,250,000
	Current Est. Complete Date:	8/2/18	**Current Contract Value (with this action):**	$72,495,053
7.	**Contract Administrator**: Antwaun Boykin		**Telephone Number**: (213) 922-1056	
8.	**Project Manager**: Cathy Rosas		**Telephone Number**: (213) 922-2875	

A. Procurement Background

This Board Action is to approve Modification No. 3 to Contract No. OP35903018 with Transdev Services, Inc. (Transdev) in support of contract bus services for the North Region, in the amount not-to-exceed $10,250,000 for services through August 2, 2018, bringing the contract total to $72,495,053.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit price.

On April 18, 2013, the Board approved a five-year contract to Veolia Transportation (currently known as Transdev) to provide contracted transportation services for the North Region of LA County.

(Refer to Attachment B – Contract Modification/Change Order Log)

B. Cost/Price Analysis

The recommended estimated price has been determined to be fair and reasonable based upon rates that were established as part of the current contract awarded in April 2013. The hourly revenue service rate remains unchanged for the remaining balance of the contract term. The contract was the result of a competitive RFP.

ATTACHMENT B

CONTRACT MODIFICATION/CHANGE ORDER LOG

CONTRACTED BUS SERVICES – NORTH REGION / OP35903018

Mod. No.	Description	Status (approved or pending)	Date	$ Amount
1	Add electronic key	Approved	9/11/13	$0
2	Company name change from Veolia Transportation to Transdev Services, Inc.	Approved	10/15/14	$0
3	**Increase contract value (not-to-exceed amount)**	**Pending**	**3/8/18**	**$10,250,000**
	Modification Total:			**$10,250,000**
	Original Contract:			**$62,245,053**
	Total:			**$72,495,053**

DEOD SUMMARY

CONTRACTED BUS SERVICE – NORTH REGION / OP35903018

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 10% Disadvantaged Business Enterprise (DBE) Anticipated Level of Participation (DALP) goal for this project. Meeting the DALP was neither a condition of award nor an issue of responsiveness. Transdev Services, Inc. (Transdev) formerly Veolia Transportation, made a 1.01% DBE commitment. The project is 97% complete and the current DBE participation is 0.67%, a shortfall of 0.34%.

Transdev confirmed plans to fulfill their contractual obligation to Carl's Electric and Global Maintenance by August 2018. Additionally, in an effort to increase DBE participation, Transdev has proposed to add a DBE subcontractor to perform janitorial services, and another DBE firm to perform equipment repairs. Transdev further confirmed its plans to meet or exceed their 1.01% DBE commitment through the completion of the Contract.

Small Business Commitment	**1.01% DBE**	**Small Business Participation**	**0.67% DBE**

	DBE Subcontractors	**Ethnicity**	**% Committed**	**Current Participation[1]**
1.	AAA Oil, Inc.	Hispanic American	Added	0.21%
2.	Becnel Uniforms, Inc.	Caucasian Female	0.34%	0.31%
3.	Carl's Electric, Inc.	Asian Pacific American	0.23%	0.01%
4.	Global Installation and Maintenance, Inc.	African American	0.04%	0.01%
5.	Patten Energy Enterprises, Inc. (Substituted)	African American	0.40%	0.13%
		Total	**1.01%**	**0.67%**

[1]Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

Living Wage and Service Contract Worker Retention Policy Applicability is not applicable to this Modification.

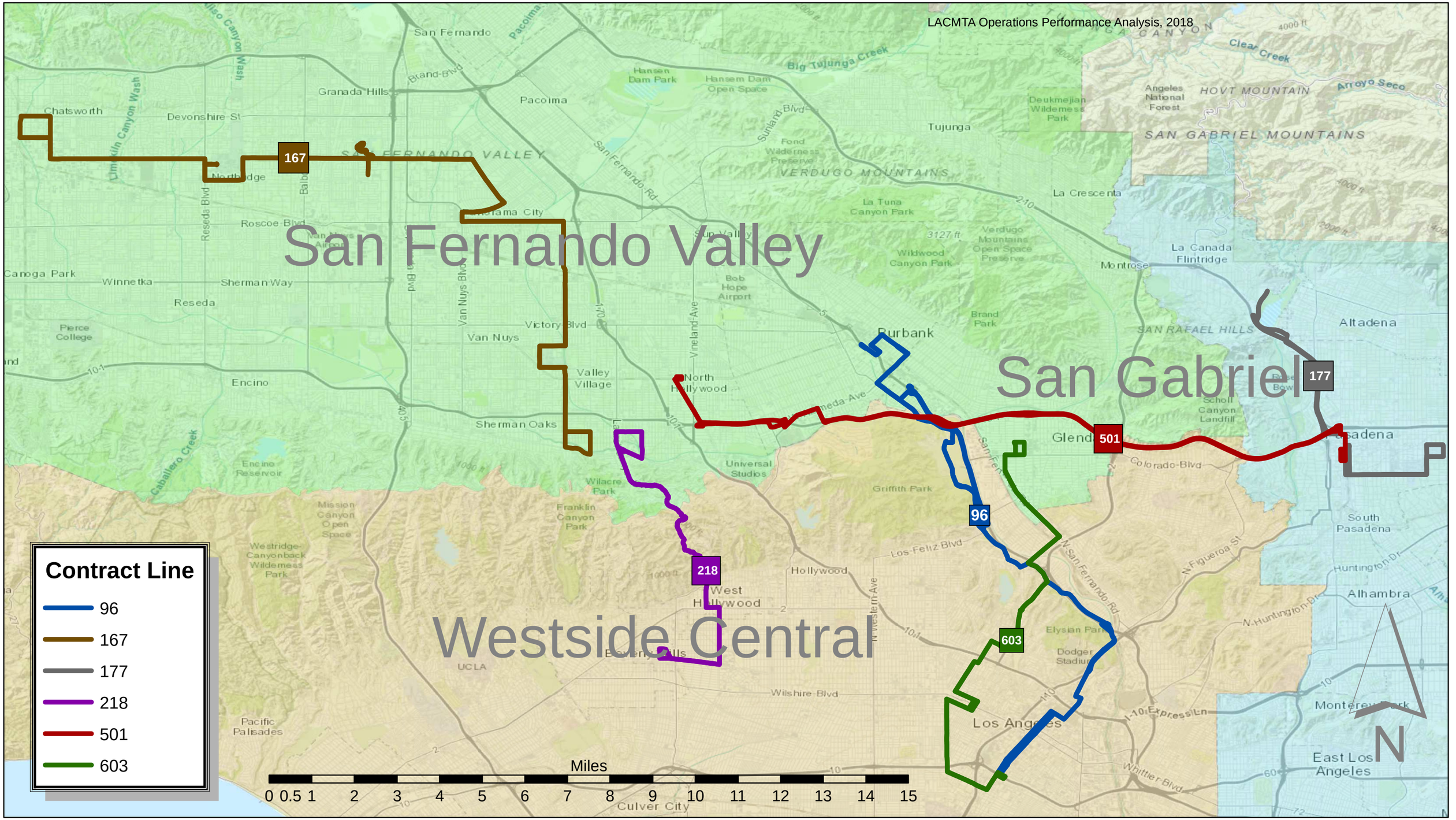
C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Modification.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.

ATTACHMENT D - MAP OF CONTRACT LINES


LACMTA Operations Performance Analysis, 2018
San Fernando Valley
San Gabriel
Westside Central
Contract Line
96
167
177
218
501
603
Miles
0 0.5 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15
N
San Fernando
Granada Hills
Pacoima
Chatsworth
Devonshire St
Northridge
Reseda Blvd
Roscoe Blvd
Winnetka
Sherman Way
Reseda
Canoga Park
Pierce College
Encino
Sherman Oaks
Van Nuys
Victory Blvd
Valley Village
North Hollywood
Burbank
Bob Hope Airport
Vineland Ave
Van Nuys Blvd
Brand Blvd
Hansen Dam Park
Hansen Dam Open Space
Big Tujunga Creek
Sunland Blvd
Tujunga
Deukmejian Wilderness Park
Angeles National Forest
HOVT MOUNTAIN
SAN GABRIEL MOUNTAINS
Clear Creek
Arroyo Seco
Fond Wilderness Preserve
VERDUGO MOUNTAINS
San Fernando Rd
La Tuna Canyon Park
La Crescenta
Verdugo Mountains Open Space Preserve
Wildwood Canyon Park
3127 ft
Montrose
La Canada Flintridge
Altadena
SAN RAFAEL HILLS
Brand Park
Glendale
Colorado Blvd
Scholl Canyon Landfill
South Pasadena
Alhambra
Monterey Park
East Los Angeles
Whittier Blvd
Los Angeles
Griffith Park
Universal Studios
Wilacre Park
Franklin Canyon Park
Mission Canyon Open Space
Encino Reservoir
Caballero Creek
Westridge-Canyonback Wilderness Park
Pacific Palisades
UCLA
Beverly Hills
West Hollywood
Hollywood
Los Feliz Blvd
Wilshire Blvd
Culver City
Dodger Stadium
Elysian Park
N San Fernando Rd
N Figueroa St
N Huntington Dr
Huntington Dr
Colorado Blvd
I-10 Express Ln
Scholl Canyon Landfill
Rose Bowl
Tujunga Canyon
Big Tujunga Canyon
Limekiln Canyon Wash
Balboa Blvd
Van Nuys Airport
Whiteman Airport
Sun Valley
Encino
Caballero Creek
Pacoima
Brand Blvd
Sunland Blvd
San Fernando Rd
Vineland Ave
Van Nuys Blvd
Victory Blvd
Roscoe Blvd
Reseda Blvd
Balboa Blvd
Devonshire St
Chatsworth
Granada Hills
Northridge
Sherman Oaks
Encino
Valley Village
North Hollywood
Burbank
Glendale
Pasadena
Altadena
Alhambra
Monterey Park
East Los Angeles
Los Angeles
Hollywood
West Hollywood
Beverly Hills
UCLA
Culver City
Pacific Palisades
Griffith Park
Universal Studios
Wilacre Park
Franklin Canyon Park
Mission Canyon Open Space
Encino Reservoir
Caballero Creek
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