



**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
FEBRUARY 17, 2005**

SUBJECT: METRO COMMUTE SERVICES

ACTION: AWARD FIVE-YEAR CONTRACT

RECOMMENDATION

Authorize the Chief Executive Officer to award a five-year, firm fixed price contract, Contract No. PS 0471801585, to Inland Transportation Services (ITS) to provide rideshare survey, incentive program management and customer service in an amount not to exceed \$1,981,311 inclusive of four, one-year options, effective April 18, 2005.

RATIONALE

The services to be provided through this contract include: personalized bilingual (English/Spanish) rideshare assistance via 1-800-COMMUTE, management of LA County rideshare matching data, rideshare survey processing and management of the rideshare incentive program and database. The contracted services will support over 3,000 employer work sites and 270,000 commuters with rideshare services. Work is scheduled to begin in April 2005 and conclude in March 2010 if all yearly options to renew are exercised.

These activities represent basic building-block functions required to perform effective commute assistance services currently provided to Los Angeles County businesses through the Metro Commute Services Department. Provision of commute and rideshare assistance services are essential in order for Los Angeles County to meet the goals of the Long Range Transportation Plan and regional air quality requirements and is comprised of: 1) provision of commute information to businesses and commuters regarding carpooling, vanpooling, transit, and other transportation alternatives to driving alone; 2) assistance in developing employer commute programs; 3) assistance with meeting transportation/air quality requirements; and 4) provision of incentives to encourage use of alternative transportation modes.

Temporary employment agency staff, two part-time interns and a portion of one full-time staff currently perform the tasks associated with the contract scope of work. The temporary employment agency service contract is scheduled to expire in FY05. The new contract will allow the continuation of these commute services to the public. The contract will be for one year with the opportunity for four additional one-year options for up to a five-year term.

BACKGROUND

Metro has funded commute assistance services for Los Angeles County since the early 1980s. Commuter Transportation Services, a non-profit organization, provided these services initially and then the Southern California Association of Governments (SCAG) operated the services from the mid-1990s through FY03. These services were transferred from SCAG to Metro beginning in FY03 in response to a Board-directed evaluation of rideshare activities. The transition was completed by FY04. The rideshare incentive programs were developed and implemented by staff. The programs were initiated in 1998 and have been enhanced over the implementation period to improve cost effectiveness.

FINANCIAL IMPACT

The funding of \$364,209 for this service is included in the FY05 budget in cost center number 7180, cost center Metro Commute Services, under project number 405547, Rideshare Services, and 50316, Professional & Technical Services. This activity will be funded with a portion of unspent Proposition C 25% rideshare grant funds programmed for FY05 through the 2004 Los Angeles County Transportation Improvement Program (TIP) that was approved by the Board in February 2004. Since the project will begin in April 2005, these grant funds will be carried over into FY06 to meet the terms of the first year contract. This is a multi-year contract, therefore, the cost center manager and Chief Communications Officer will be accountable for budgeting the cost in future years, including any options exercised. In FY04, approximately \$325,000 was expended on these services.

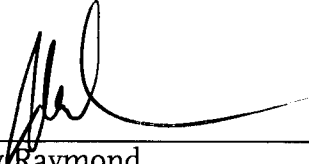
ALTERNATIVES CONSIDERED

For the past 1½ years staff has used a combination of services provided by a temporary employment agency, a portion of one full-time staff position and two part-time interns. Staff considered bringing the program in-house but would require the hiring of five full-time positions and determined that cost would greatly exceed that of the contract. To reduce costs further and ensure service quality, staff has required that all services be performed on site.

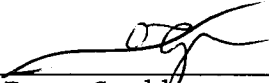
ATTACHMENT

1. Procurement Summary

Prepared by: David Sutton, Executive Manager, Metro Commute Services
Cosette Stark, Executive Manager, Program & Service Development



Matthew Raymond
Chief Communications Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

METRO COMMUTE SERVICES CONTRACT

1.	Contract Number: PS 0471801585		
2.	Recommended Vendor: Inland Transportation Services		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$ 1,981,311	Recommended Price: \$ 1,981,311	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: September 20, 2004		
	B. Advertised: October 8, 2004		
	C. Pre-proposal Conference: September 29, 2004		
	D. Proposals Due: November 12, 2004		
	E. Pre-Qualification Completed: November 9, 2004		
	F. Conflict of Interest Form Submitted to Ethics: January 11, 2005		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: 5% MBE; 5% WBE Voluntary Anticipated Levels of Participation	Date Small Business Evaluation Completed: January 3, 2005	
	B. Small Business Commitment: 0% MBE and 21.26% WBE (Details are in Attachment A-2)		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 9	Bids/Proposals Picked up: 29	Bids/Proposals Received: 2
8.	Evaluation Information:		
	A. Bidders/Proposers Names: Inland Transportation Services Microlink Enterprise Inc.	<u>Bid/Proposal Amount:</u> \$1,981,311 \$2,479,149	<u>Best and Final Offer Amount:</u> N/A
	Evaluation Methodology: Two-step IFB: Technically Qualified, Lowest Price. Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: February 21, 2005		
	B. Protest Receipt Date:		
	C. Disposition of Protest Date:		
10.	Contract Administrator: Phyllis L. Walker	Telephone Number: 213/922-1084	
11.	Project Manager: Donna Blanchard	Telephone Number: 213/922-5614	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

METRO COMMUTE SERVICES CONTRACT

A. Background on Contractor

Inland Transportation Services (ITS) located in Riverside, California was founded in 1989 by William M C. McCaughey, President and owner. The firm has offices located in Riverside and San Diego and manages and implements Regional Transportation Demand Management programs.

The firm has received various industry awards over the years. Contractor is currently providing similar services to public agencies such as San Diego Association of Governments, Riverside County Transportation Commission (RCTC) and San Bernardino Associated Governments (SANBAG). ITS was selected by RCTC/SANBAG to conduct a nationwide search for ridematching software. As a result, RidePro is the regional database currently in use.

Reference checks and performance verification indicates performance is satisfactory.

B. Procurement Background

An IFB two-step, Technically Qualified Lowest Price, solicitation was issued on September 20, 2004. Two proposals/bids were received.

The Diversity & Economic Opportunity Department recommended Minority Owned/Women Owned Business Enterprise (MBE/WBE) voluntary levels of participation (VALP) of five percent MBE and five percent WBE. Inland Transportation Services (ITS) identified Redfern and Associates as a subcontractor, who is a Women-owned Business Enterprise firm, and plans to utilize the firm to perform part of the required scope of work for this project. Therefore, ITS voluntarily committed to 21.26% WBE participation. No MBE firms were identified.

C. Evaluation of Proposals

Evaluation of the two technical proposals received was based on the stated evaluation criteria and compliance matrix presented in the solicitation. The proposal submitted by Microlink Enterprise, Inc. did not meet the evaluation criteria which required experience in delivering similar products and services and experience in database management, applications, ridematching, density mapping, and geocoding; the firm was excluded from the process on November 17, 2004. Inland Transportation Services met the criteria, to include a price reasonableness review of their bid price, and is recommended for award.

D. Cost/Price Analysis Explanation of Variances

The recommended price has been determined to be fair and reasonable based upon a price analysis performed by the Contract Administrator. An independent cost estimate shows the bid price of \$1,981,311 to be 19% lower than the estimate.

BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS

METRO COMMUTE SERVICES CONTRACT

PRIME CONTRACTOR – INLAND TRANSPORTATION SERVICES (ITS)

Small Business Commitment

Other Subcontractors

Redfern and Associates (WBE)

None

Total **WBE** Commitment **21.26%**

Total **MBE** Commitment **00.00%**

