

**SUBJECT: RTA Transit Services Contract**

Meeting	Meeting Date	Agenda Category	Agenda Item #
RTA Board	March 23, 2017	Consent/Action	3.d

**REQUESTED ACTION/SUGGESTED MOTION**

The RTA Board will be asked to authorize the Executive Director to award, negotiate and execute a contract with Total Transit Enterprises Inc. as well as a contract extension, if needed, to ensure uninterrupted service.

**ASSOCIATED OWP WORK ELEMENT/GOAL**

- 46 – Regional Transportation Authority Support
- 40 – Regional Transportation Planning

**SUMMARY**

The RTA currently contracts for the provision of Sun Shuttle fixed-route transit and Sun Shuttle Dial-a-Ride Americans with Disabilities Act (ADA) paratransit services. The current three-year contract for these services comes to term in May 2017.

In October 2016, the RTA released a Request for Proposals (RFP) seeking a qualified contractor to provide Sun Shuttle transit services. The RFP was structured to allow prospective contractors to bid on either Sun Shuttle fixed-route services, or Sun Shuttle ADA Dial-a-Ride services, or both services together.

**New Contract Goals**

The RTA has three main goals for the new contract:

1. Continue the process of integrating and simplifying services into a seamless regional fixed-route and dial-a-ride system, including a voucherless fare payment system for Sun Shuttle Dial-a-Ride ADA services.
2. Improve efficiency and service quality by combining traditional paratransit service delivery with a flexible and innovative demand response model.
3. Explore expanded service options in the ADA optional service area by launching a ride-sourcing pilot program employing non-commercial vehicles coordinated through an online-enabled reservation platform.

**Response Evaluation**

The RTA received three responses to its RFP. An Evaluation Committee, comprised of representatives from the City of Tucson, Pima County, the Town of Oro Valley and the RTA, reviewed the proposals and held two meetings to discuss the merits of the bids. The Committee

also conducted in-person interviews with the firms that responded to the Sun Shuttle ADA Dial-a-Ride portion of the RFP to discuss the firms' respective voucherless-fare system proposals for the service.

Based on the scoring of the Evaluation Committee, and the pricing submitted with the firms' Best and Final Offers (BAFO), staff recommends award of the contract to Total Transit Enterprises, Inc, and requests the Board authorize the RTA Executive Director to enter into contact negotiations in preparation for execution of the new contract.

The recommendation of Total Transit follows an evaluation of the submitted proposals structured to assess the highest value proposition. The evaluation committee used a scoring rubric that favored experience, qualifications, personnel and technical capability as key indicators of likely success. Proposed service pricing was not provided to the committee but was scored separately using a predetermined formula. Total Transit had the highest cumulative committee score for both fixed route and dial-a-ride services based solely on the key value indicators.

While not scored as part of the evaluation criteria, Total Transit did submit the only proposal for the third goal of the new contract: a ride-sourcing pilot program. If deemed successful, the integration of a ride-sourcing model into the current service structure could provide an expansion to the current capacity at a lower marginal cost.

In addition to seeking innovative ways to deliver service, the new contract will contain a number of provisions designed to protect customer service quality. These provisions include financial penalties if standards for the number of customer complaints and/or system-wide on-time performance fall below established thresholds. Cases involving individual customers experiencing repeated poor performance also will be subject to remediation with penalties for continuing issues. These items are detailed in the RFP Scope of Work section 1.4.18.

Total Transit also has proposed a number of new service quality enhancements to the current service. These include the assignment of a new general manager with a deep background in dial-a-ride paratransit and fixed-route services in both the public and private sector, the deployment of a fully contract-dedicated and integrated call-center allowing for greater local control and oversight, and the introduction of a new software platform which will exceed the capabilities of Total Transit's current in-house software. Please see the attached customer satisfaction responses for greater detail on the new service measures.

#### **PRIOR BOARD AND/OR COMMITTEE ACTION**

- The current Sun Shuttle services contract was approved by the RTA Board on Dec. 5, 2013.
- The RFP and Sun Shuttle Service Contract Scope of Work was submitted to the RTA Board at its Jan. 26 meeting.

## FINANCIAL CONSIDERATIONS

- Total Transit's proposed pricing will increase the current contract service cost by 1.5 percent in the first year (based on mileage, starting in May 2017), and will grow by 3 percent annually in year two and three.
- Extending the current contract for a fourth year (starting in May 2017) would result in a cost increase of 3 percent.
- Costs for the RTA fixed-route and para-transit services have been growing at a rate greater than revenue growth. This is due, in part, to growth in the ridership on Sun Shuttle Dial-a-Ride.
- The recent fare increases for optional area para-transit trips may somewhat reduce growth in the demand for Sun Shuttle Dial-a-Ride; however, the extent of the reduction is not easily projected.

## TECHNICAL, POLICY, LEGAL OR OTHER CONSIDERATIONS

- None noted.

## ATTACHED ADDITIONAL BACKUP INFORMATION

- A. Sun Shuttle Fixed-Route and Sun Shuttle Dial-a-Ride Public Transportation Contract RFP Scope of Work
- B. Clarifications Regarding Total Transit's Approach to Maintaining High Customer Service

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